

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

Item 6, Report No. 8, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on September 26, 2017.

**6 CITY OF VAUGHAN DEVELOPMENT SERVICES FEE STRUCTURE REVIEW  
PHASE 2 - PLANNING APPLICATION FEES  
CITY-WIDE**

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager of Planning & Growth Management, the Chief Financial Officer & City Treasurer, the Director of Development Planning, the Director of Financial Planning and Development Finance, Deputy City Treasurer, and the Deputy City Clerk, dated September 20, 2017, be approved;
- 2) That the presentation by Mr. Andrew Grunda, Watson & Associates, Argentia Road, Mississauga and Communication C4, presentation material entitled "*Planning Application Fees Review Presentation*", be received.

**Recommendation**

The Deputy City Manager of Planning & Growth Management, the Chief Financial Officer & City Treasurer, the Director of Development Planning, the Director of Financial Planning and Development Finance, Deputy City Treasurer, and the Deputy City Clerk recommend:

1. That the City of Vaughan Development Services Fee Structure Review, Phase 2 – Planning Application Fees, and Planning Applications Fee Review – Additional Staff Resource Impact, included as Attachments #1 and #2 respectively, prepared by Watson & Associates Economists Ltd., BE RECEIVED.
2. That the following By-laws be amended to implement the recommendations of the City of Vaughan Development Services Fee Structure Review, Phase 2 – Planning Application Fees, included as Attachment #1, prepared by Watson & Associates Economists Ltd.:
  - a) the Tariff of Fees for Vaughan Planning Applications By-law 173-2013;
  - b) By-law 203-15 to provide for fees and charges under the *Planning Act* for Committee of Adjustment applications; and
  - c) By-law 198-2016, to provide general fees and charges under the Municipal Act.
3. Notwithstanding Recommendation 2 above, should Council approve the Development Planning Department's additional resource requests as discussed in this report through the 2018 budget process, that the Tariff of Fees for Vaughan Planning Applications By-law 173-2013, be further amended to implement the fees shown on Attachment #2 for Development Planning applications. Alternatively, should Council approve the additional resource requests in part, that the Tariff of Fees for Planning Applications shown on Attachment #2 be reviewed by Watson & Associates Economists and modified to capture the full cost recovery only for the approved additional resource requests.

**Contribution to Sustainability**

The Development Planning Department retained Watson & Associates Economists Ltd. ("Watson") to undertake a review ("Fee Review") of the full costs of processing the Development Planning Department and Committee of Adjustment (CofA) applications and to make fee structure

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

#### Item 6, Finance Report No. 8 – Page 2

recommendations to achieve full cost recovery pursuant to the *Planning Act* and Council's Fiscal Framework Guiding Principles.

The planning application and CofA fees were last reviewed by Watson approximately 9 years ago. The proposed fees and charges will ensure the City continues to provide timely reviews of Development Planning and CofA applications.

#### **Economic Impact**

The purpose of the Fee Review is to identify the total costs of processing Development Planning and CofA applications and establish a fee structure to achieve full cost recovery for each application type and services. This will allow continued funding of the Development Planning and CofA application review processes with no impact on the property tax rate.

The Fee Review recommendations are anticipated to increase the overall Development Planning Department and CofA application cost recovery performance to full cost recovery levels.

Based on the anticipated application volumes and application characteristics for 2017, the City budgeted Development Planning application fee revenues of \$5.6 million and CofA application revenues of \$0.8 million. The Fee Review results indicate that the City's current fee structure is recovering only 82% and 61% of the cost of processing Development Planning and CofA applications, respectively. The remaining balance of the costs are subsidized from property taxation. The proposed fee structure would eliminate the property tax subsidy and appropriately recover the balance of costs from the user fee base. If the full cost recovery fee recommendations had been applied to the 2017 budgeted application volumes and characteristics, they could have been expected to generate approximately \$1.9 million in additional revenue for the Development Planning Department and \$0.5 million for the CofA.

The approach to full cost recovery for Development Planning and CofA application fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability. In particular, this approach is in line with the guiding principle of growth pays for growth such that infrastructure and services that support new growth should be funded, to the fullest extent possible, through new property tax assessment and growth-related revenues. New property tax assessment should not subsidize existing service levels.

The Fee Review also included a review of other Greater Toronto Area (GTA) municipalities and has demonstrated that the application fees imposed under the recommended fee structure would be comparable to those GTA municipalities.

#### **Communications Plan**

The development industry has been engaged in the Fee Review and will continue, through the Building Industry and Land Development Association (BILD), to be engaged in the final phase of the Fee Review for the Building Standards Department.

BILD and the York Chapter members were engaged at the following stages of the Fee Review process:

- *City of Vaughan Fee Review:* During the Fee Review of the Development Engineering and Infrastructure Planning Department, an introduction forum was held on October 5, 2015, to introduce Watson and to present the methodology for the Fee Review. Watson conducted all phases of the Fee Review using the same methodology to maintain consistency throughout the process.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017

#### Item 6, Finance Report No. 8 – Page 3

- *Project Initiation and Methodology:* At a BILD executive meeting held on October 11, 2016, BILD was advised that a planning application fee review would commence in 2017. Subsequently, at a March 21, 2017, BILD executive meeting, BILD was advised that the Fee Review had commenced and that further consultation regarding the draft results would be communicated to BILD representatives.
- *Preliminary Results:* A meeting was held with the York Chapter of BILD and development industry representatives on May 29, 2017, to present the preliminary results of the Fee Review and to receive comments from the development industry.
- *Follow-up:* At the May 29, 2017 meeting, several comments were received from BILD representatives. BILD also submitted a letter dated June 8, 2017 (Attachment #3) that included questions and some concerns regarding the proposed fee structure. A response brief (Attachment #4) was prepared to provide additional information related to the questions raised at the meeting and the June 8, 2017 letter. The input and comments received from BILD and development industry representatives were considered in the Fee Review process and the final recommendations.
- *Notice:* A Notice of this Finance, Administration and Audit Committee meeting was sent to BILD and distributed to the York Chapter of BILD on August 30, 2017.
- *Follow-up:* At the time of report publication a meeting is scheduled for September 11, 2017 where Development Planning Department staff will make a presentation at a regularly scheduled BILD executive meeting. The presentation will summarize the findings and recommendations of the Fee Review and provide an additional opportunity for BILD to ask questions related to the review.

It is noted that the Planning Application Fee Review - Additional Resource Impacts (Attachment #2) addendum report undertaken by Watson did not form part of the consultation process with BILD outlined above.

#### **Purpose**

The purpose of this report is to:

1. Provide Council with the results of the Development Planning Department and Committee of Adjustment Application Fee Review conducted by Watson.
2. Seek Council's approval of Watson's recommendations contained in the Fee Review (Attachment #1) for Development Planning and Committee of Adjustment applications and for general Fees and Charges related to the review of Development Planning applications.
3. To advise Council of the Development Planning Department's additional resource requests (ARRs) for the 2018 budget process and the impact on the Fees and Charges for Development Planning applications recommended by Watson in the Fee Review to maintain full cost recovery; and, to seek Council's approval of the revised Fees and Charges (Attachment #2) should the ARRs be approved, in full or in part, through the budget process.
4. To obtain Council direction to amend the current in-effect fee By-laws, as identified in this report, to implement the Fees and Charges recommended by the Fee Review for Development Planning and CofA applications.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017

Item 6, Finance Report No. 8 – Page 4

#### **Background - Analysis and Options**

The City of Vaughan is one of Canada's fastest growing cities. Vaughan's current population of approximately 318,000 is expected to grow by over 30% in the next 15 years to over 416,000 by 2031, and potentially upwards to 490,000 by 2041. Based on the City of Vaughan Official Plan 2010 (VOP 2010), approximately 50% of the planned growth over the next 15 years will occur through urban intensification. This growth is anticipated in the Vaughan Metropolitan Centre (VMC), along transit corridors and through infill development within existing communities.

#### **1. Continuous operational and efficiency reviews have positioned the Development Planning Department to respond to the planned development forms envisioned in the City's Official Plan**

Since the adoption of Vaughan Official Plan 2010, the Development Planning Department has reviewed its operations, procedures, and processes to meet the challenges associated with city building, and includes:

- In November 2013, the first VMC Project Manager staff complement was hired followed thereafter by two additional staff complement to form the VMC Project Management Team dedicated to facilitating development applications in the VMC.
- In 2014, a functional review the Public Works Commission was undertaken which included a review of the Development Planning Department. The review recommended that one additional Senior Manager of Development Planning position be created to respond to development pressures. This review resulted in the Development Planning Department being organized into two geographic teams that are responsible for all development applications located west and east of Highway 400.
- In 2015, an exercise of mapping the development process was undertaken with the objective of documenting the land development process in Vaughan, identifying gaps and challenges in the current development approval process and assessing resource capacity, and recommended process improvements. The initial results of the mapping exercise revealed the need to leverage technology to improve application tracking for both internal and external stakeholders, and to develop standard operating procedures to improve efficiency.
- In 2015, a concerted effort was undertaken to update PLANit, the Development Planning Department's database used to manage development applications. This included upgrades to the software, enhancements to its' functionality and the introduction of the PLANit Viewer, which allows anyone with internet access to view development application information on-line. A permanent part-time position was also created to update PLANit with current and historical data related to planning applications. The data has been updated going back to 2010 Development Planning applications.
- The Development Planning Department will continue to review its processes and procedures to deliver Service Excellence to achieve the objectives of the Term of Council Strategy Map 2018.

#### **2. Planning application and Committee of Adjustment fees were last reviewed 9 years ago and the increased effort to process complex intensification and infill development proposals has necessitated a review of the Development Planning and Committee of Adjustment fees and charges**

**EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

Item 6, Finance Report No. 8 – Page 5

As previously noted, Development Planning and CofA application fees were last reviewed by Watson approximately 9 years ago. Municipalities periodically undertake a review of their fees to address changes in development cycles, application characteristics and cost-recovery levels to identify fee structures that more accurately reflect processing levels. With new and emerging Provincial and Regional policy initiatives, the City of Vaughan is experiencing more medium and high density development proposals in intensification areas and infill development in existing communities.

These development proposals have contributed to an increased level of complexity and time required to process Development Planning applications. In addition, new regulatory and non-regulatory initiatives such as the requirement for water balance reports, the introduction of Pre-Application Consultation (PAC) Meetings, and requirements for wind and sun/shadow studies and other technical studies related to high density development have added new layers of review that were not previously required legislatively or deemed necessary to assess more historic low rise forms of development in Vaughan.

Greater effort and time is required to review intensification/infill development proposals due to the complexity associated with the planning review and approvals often requiring multiple applications (e.g. Official Plan, Zoning, Subdivision and Site Development applications). Development Planning applications proposing infill/intensified development require additional planning reviews, increased public consultation and multiple meetings with the applicant and agencies to address matters such as land use compatibility, site organization, built form, etc.

Large scale and more intense Development Planning applications in the VMC require the consideration, evaluation and implementation of new approaches to development not previously experienced in the City of Vaughan including, but not limited to, stratified road and park proposals, density transfer requests, and Design Review Panel reviews. Implementing documents such as Official Plan and Zoning By-law Amendments, Site Plan Agreements, Section 37 and strata agreements and other development agreements are also more complex requiring more time and effort to draft, review and execute.

**3. Watson was retained by the City to carry out a comprehensive Fee Review of development related fees and charges including those for the Development Planning Department and the Committee of Adjustment**

Watson was retained by the City to complete a comprehensive Fee Review of the development related fees and charges, which commenced with the Development Engineering and Infrastructure Planning (DEIP) fees. The second phase of the Fee Review relates to the Development Planning and CofA application fees, followed by the final phase of the Fee Review, representing the Building Standards Department fee review. The scope of the Fee Review, included the following key objectives:

- Provide an evidence-based rationale that considers the processes involved in the Development Planning Department and CofA application review processes and the level of staff effort to achieve full cost recovery. The approach to full cost recovery for fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability.
- Review current processes and capture the current overall staff effort required in the Development Planning and CofA application review processes.
- Consider new revenue opportunities and best practice fee-based funding model options.
- Consider the impact of the recommended fee structure changes on the development industry.
- Consider Vaughan's Development Planning and CofA application fees compared to other municipalities.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017

#### Item 6, Finance Report No. 8 – Page 6

The approach to full cost recovery for fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability. The proposed fee structure would eliminate any property tax subsidy and appropriately recover the balance of costs from the user fee base.

#### 4. Key finding of Watson's Fee Review

A copy of Watson's final Fee Review reports are appended to this report as Attachments #1 and #2. The draft Fee Review was completed in July 2017, and an addendum report titled Planning Application Fee Review – Additional Staff Resource Impacts was completed on August 10, 2017. The key finding of the Fee Review is that the current fee structure for Development Planning and CofA applications with the exception of site development applications are not recovering the City's costs for development applications as follows:

Application Type	% Current Full Cost Recovery
Official Plan	81%
Zoning By-law Amendment	89%
Site Development Application	123%
Draft Plan of Subdivision	42%
Draft Plan of Condominium	60%
Part Lot Control	62%
Pre-Application Consultation (PAC)	52%
<b>Other Application Fees</b>	
Landscape Plan Review	61%
Street Naming / Numbering	57%
<b>Total Planning Applications</b>	<b>82%</b>
<b>Committee of Adjustment</b>	<b>61%</b>

Overall the fees currently charged are not recovering the City's costs for both Development Planning and CofA applications based on 2017 budgeted revenue as follows:

	\$ (millions)		
	2017 Budget Revenue	Unrecovered Processing Costs	Total Processing Costs
Planning Applications	5.6	1.9	7.5
CofA Applications	0.8	0.5	1.3
Total	6.4	2.4	8.8

The Fee Review demonstrates that the City is not achieving full cost recovery for the review of Development Planning and CofA applications and therefore the current fee structure is not aligned with Council's Fiscal Framework Guiding Principles to ensure long term financial sustainability.

**EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

Item 6, Finance Report No. 8 – Page 7

**5. The key recommendations of the Watson Study include adjusting planning application and Committee of Adjustment fees to achieve full cost recovery consistent with Council's Fiscal Framework Guiding Principles**

The Fee Review includes several key recommendations related to Development Planning and CofA application fees. The guiding principles for the fee recommendations is to achieve full cost recovery as permitted by the *Planning Act* and consistent with Council's Fiscal Framework Guiding Principles. The recommendations are generally summarized for each application type as follows:

**General Recommendations**

- Implement a new fee structure that aligns the full cost recovery of processing costs to application characteristics to balance *Planning Act* compliance, applicant benefits and municipal revenue certainty. The Fee Review recommendations included in Attachment #1 are anticipated to increase overall planning applications cost recovery performance to full cost recovery levels for each application type.
- Generally, increase the base fee for each application type with less reliance on per unit fees.
- The introduction of surcharge fees for Development Planning applications in the VMC, Intensification Areas and infill projects.
- Implementation of a declining unit rate structure to recognize economies of scale in processing larger applications.
- Should Council approve the Development Planning Department's additional resource requests through the 2018 budget process, that the fee structure for Development Planning application fees and charges shown on Attachment #2 be implemented to achieve cost recovery.

**Proposed Fee Structure Summaries**

The fee structures for Development Planning applications and Committee of Adjustment application are included in Attachments #1 and #2. A summary of these fees structures for ease of reference is provided for Development Planning and CofA applications on Attachments #5 and #6, respectively. The fees shown on Attachment #5 included the recommended fee structure by the Fee Review, and the impact on the recommended fee structure resulting from Development Planning Department additional resource requests in 2018 and 2019, as discussed in this report. The Attachment also includes the draft explanatory notes related to certain fees that will be included in the Tariff of Fees for Vaughan Planning Applications By-law, should Council approve the recommendations in this report. The fees shown on Attachments # 5 and #6 are based on 2018\$. The 2019 fees shown on Attachment #5 will be subject to the annual inflationary fee increase to be determined by the City, in recent years in the range of 3%.

**Recommendation by Application Type**

**a) Official Plan Amendment (OPA) Application**

The City currently charges fees for Major and Minor OPAs and surcharges upon application approval. Major OPA and surcharge fees are \$26,198 and \$6,607 respectively. Minor OPA and surcharge fees are \$12,272 and \$3,687 respectively. Based on the results of the activity based costing model prepared by Watson, Major and Minor OPA applications would require fees of \$41,400 and \$26,900 respectively, to achieve full cost recovery.

**EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

Item 6, Finance Report No. 8 – Page 8

**b) Zoning By-Law Amendment (ZBA) Application**

Fee recommendations for ZBA applications were designed to recover the average processing costs for different (e.g. residential, non-residential and mixed-use) application types. The recommendations are based on the average processing costs and consideration was given to the marginal anticipated processing costs of the application sub-types (e.g. VMC, Intensification Areas, Heritage Conservation Districts (HCD) and standard applications).

On average, residential and non-residential Zoning applications are over recovering the costs of processing, while mixed-use Zoning applications are under recovering the anticipated processing costs, resulting in an overall under recovery of fees for ZBA applications. As applications increase in size, cost recovery levels improve. Thus, the recommended fee structure includes a higher application base fee and a decreasing block fee structure for residential per unit fees as the number of units increases. The decreasing block fee is designed to align cost recovery with the marginal costs of processing a larger application with a greater number of units. Base fees for non-residential and mixed-use applications have been increased in line with residential base fees. Increased base fees and the average size of non-residential and mixed-use applications indicates that variable per hectare fees should be decreased.

**c) Site Development Application**

Average revenues for residential and mixed-use applications are currently greater than the average processing costs for larger applications, while non-residential applications are generally under recovering average processing costs.

The recommended fee structure for a Site Development application includes an increased base fee and the imposition of a declining block fee structure for residential per unit fees. Although the proposed fee structure has been designed to recover processing costs by Site Development application type (residential, non-residential, mixed-use), the fee structure was also measured against the costs of processing application sub-types (VMC, Heritage Conservation Districts, Intensification Areas, standard applications). Large scale residential applications in the VMC and other areas are recovering higher revenues than average costs and as such a declining block fee structure will help to improve the relationship between cost recovery and processing effort.

The recommended fee structure for mixed-use applications also includes the imposition of a declining block fee structure for the residential component of development. Per unit fees are lower than currently imposed, reflective of the large size of mixed-use Site Development applications.

**d) Draft Plan of Subdivision Application**

Draft Plan of Subdivision application fees are currently on average recovering 42% of the costs of processing. As such, Watson recommended base and variable fee increases for all Draft Plan of Subdivision application types. Furthermore, as with residential ZBA and Site Development applications, Watson recommended that the variable per unit fee structure for residential applications be modified from its current format to a declining block structure.

The one fee for the registration of additional subdivision phases increased substantially based on the underlying processing effort estimations. A review of similar fees charged by other surrounding municipalities was conducted to assess this fee for reasonableness. The

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

#### Item 6, Finance Report No. 8 – Page 9

Fee Review identified similar fees charged by several surrounding municipalities are much lower. To ensure reasonableness, Watson and the City have proposed revising the recommended fee for this charge from \$23,097 to \$3,126.

#### **e) Draft Plan of Condominium Application**

The process of reviewing Draft Plan of Condominium applications was costed and the Fee Review recommended a flat fee of \$22,944.00 for Draft Plan of Condominium applications to achieve full cost recovery. The recommended fee would apply to Standard, Common Element, Vacant Land, Amalgamated, Phased, and Leasehold Draft Plan of Condominium applications.

#### **f) Part Lot Control, Landscape Plan Review, Pre-Application Consultation (PAC), Street Naming, Street Name Changes and Street Numbering/Number Changes**

The fees imposed for a Part Lot Control application and planning services are flat fees (i.e. a base fee without any surcharges). Watson's recommended fee structure to achieve full cost recovery for these planning services are shown on Attachment #1.

#### **g) New Fees - Zoning By-law Amendment Section 37, Cash-in-Lieu of Parking**

Application review processes were included to consider the imposition of new fees related to Zoning By-law Amendment applications requiring a Section 37 benefit and Cash-in-Lieu of Parking. These fees would cover the additional time and effort incurred to determine the cash-in-lieu amounts (e.g. review of land appraisals, negotiations, peer reviews as necessary and the preparation and execution of implementing documents). The full recovery cost recommendations for each application requiring for these services are as follows:

Zoning By-law Amendment with a Section 37 benefit - \$28,410

Zoning By-law Amendment with a Cash-In-Lieu of Parking - \$2,616.

#### **h) Committee of Adjustment Application Fees**

Committee of Adjustment application fees were last reviewed approximately 9 years ago by Watson. Since that time CofA fees have increased based on a "cost-of-living" rate, but now only recover approximately 61% of the processing costs. Increasing the CofA application fees to recover the City's costs for processing these applications will reduce the tax-base subsidy for operating costs. The proposed application fees are expected to increase revenues by approximately \$500,000 in 2018.

The Committee of Adjustment full cost recovery Fee Review recommendations are included in Attachment #6. Except for Change of Conditions Consent applications, all fees are recommended to increase, based on the cost recovery performance results of the Fee Review. The Fees and Charges shown on Attachment #6 include a 3% increase for 2018.

Committee of Adjustment staff have reviewed the Fee Review and recommend an additional "adjournment fee" of \$515.00. This fee represents the additional staff time, effort and costs associated to accommodate an adjournment request from an applicant. The fee will not be imposed when the Committee of Adjustment or staff recommends an adjournment for a CofA file. A request to adjourn a CofA application requires that an application be rescheduled and recirculated, the re-production of agenda packages and draft decisions, and the re-posting of information online. The Committee, the Manager of Development Services/Secretary-Treasurer to the Committee of Adjustment, as well as Planning and Zoning staff must also address the application, as required, at each re-scheduled hearing.

**EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

Item 6, Finance Report No. 8 – Page 10

The \$515.00 fee represents the additional staff time required to process a request from an applicant to adjourn a CofA application.

**6. Fee review recommends surcharges for development applications in the VMC, Intensification Areas and for Infill Development**

The Fee Review recommends surcharge fees for Zoning By-law Amendment, Site Development, and Draft Plan of Subdivision applications in the VMC, Intensification Areas and for Infill Development to achieve full cost recovery of these applications. The recommended surcharge would be cumulative and applied for each application type being processed. For the purposes of the new Tariff of Fees By-law for Development Planning applications, the VMC, Intensification Areas and Infill Development applications subject to the recommended surcharge will only apply to the Development Planning applications that meet the following criteria:

- a) VMC - Any Development Planning application for a property located within the boundary of the Vaughan Metropolitan Centre (VMC) as defined by the VMC Secondary Plan. The surcharge will apply to Development Planning applications that facilitate new development and redevelopment proposals.
- b) Intensification Areas - Any Development Planning application for a property located within an Intensification Area identified on Schedule 1 - Urban Structure of Vaughan Official Plan (VOP) 2010, or any Secondary Plan Policies (Section 11), Area Specific Policies (Section 12), or Site-Specific Policies (Section 13) constituting Volume 2 of VOP 2010. The surcharge will apply to Development Planning applications that facilitate new development and redevelopment proposals.
- c) Infill Development - Any Development Planning application for a property where the proposal is for development that meets the following definition:

Infill Development means the development or redevelopment of a property, site or area with new development at a higher density or building height than is currently permitted by the Official Plan. The surcharge fee will not apply to a Development Planning application for street townhouse development, but shall apply to all other forms of townhouse development (e.g. common element, back-to-back, row, stacked, etc.). Infill development also includes all residential apartment and mixed-use buildings.

In each case above (i.e. VMC, Intensification Area and Infill Development) the surcharge will not apply to Development Planning applications that are minor in nature such as additions or expansions of existing buildings, a change in use in an existing building, or an amendment to a development standard (e.g. number of units or gross floor area).

**7. Recommended fees to apply only to redevelopment / new development in the City's Heritage Conservation Districts (HCDs)**

The Fee Review recommendations will not apply to any Development Planning application that will facilitate the retention, adaptive reuse, or a minor alteration(s) (e.g. addition) of an existing building that is designated as Part 4 or Part 5 under the *Ontario Heritage Act* or recognized in the City's Built Heritage Inventory. However, any Development Planning application for new development / redevelopment within a HCD will be subject to the Intensification Area/Infill surcharge fee recommended in the Fee Review.

**EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

Item 6, Finance Report No. 8 – Page 11

**8. Planning application fees will be adjusted from year to year to reflect cost of living increases**

The Fee Review is based on an analysis of the past 5 years of Development Planning and CofA applications. Watson's recommended fee structures for Development Planning and CofA applications included in Attachments #1 and #2 are based on recommended fees in 2017\$.

Should Council approve the Fee Review recommendations in this report, the Development Planning and CofA application fees shown on Attachments #1 and #2, will take effect on January 1, 2018, and will incorporate a 3% inflationary adjustment. Thereafter, Development Planning and CofA application fees will be adjusted on an annual basis to reflect inflationary increases in line with targets approved by Council to ensure no future cross-subsidization from property taxation. The increases have typically been, in recent years, in the range of approximately 3%. Other adjustments, as may be required to respond to new legislative review requirements, additional staff resources, or adjustments as necessary may be applied from time to time, as required.

**9. Based on an industry scan, the proposed Development Planning application fees and charges are comparable with neighbouring municipalities**

To ensure the recommended fees are in line with neighbouring municipalities, a fee comparison was undertaken. Watson undertook a review of the proposed application fees utilizing different development application scenarios (e.g. a 200-unit residential and mixed-use condominium, 1,000 m<sup>2</sup> retail development, 100-unit subdivision, 40,000 m<sup>2</sup> office building) relative to other municipalities in the Greater Toronto Area (GTA) and southern Ontario (Mississauga, Brampton, Toronto, Markham, Richmond Hill, Burlington, Whitby, Hamilton, Pickering, and Ottawa).

The Fee Review also included an analysis of the application fees as a percentage of the overall cost of development, which includes building permit fees and development charges. The results of the reviews are included in Attachment #1 and demonstrate that the proposed fee structure for Development Planning applications in the City of Vaughan would not be the highest relative to these municipalities and that in most cases would remain lower than most direct comparables, those being Mississauga, Markham and Richmond Hill.

The analysis also demonstrates that the new Development Planning application fees would represent 1 to 2% of the overall approval costs associated with development, save and except for the retail development scenario where planning fees would account for 7% of the overall cost of development, which is still the lowest amongst all the other municipalities reviewed, except Brampton (4%). Given the comparison, the recommended fees are in line with the city's comparator municipalities and therefore, validate the Fee Review completed by Watson.

**10. The Development Planning reserve fund will manage the cyclical nature of land development**

The Fee Review recommendations will ensure that the City can continue to provide Development Planning Department review services for land development proposals without subsidy from property taxation. The number, type and scale of Development Planning applications received by the City in any calendar year is subject to many external factors such as interest rates, government policy, general market conditions, and available servicing capacity. The City has been the recipient of continued growth and the number of Development Planning applications has remained strong for the last number of years.

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

#### Item 6, Finance Report No. 8 – Page 12

However, a Development Planning Reserve exists to mitigate the financial impact of volatile economic trends. Funds in the reserve will serve to smooth significant revenue variances that may result from the cyclical nature of land development.

#### **11. Additional Resource Requests (ARRs) through the 2018 budget process, if approved by Council, will increase the Development Planning application and CofA application fees recommended by the Fee Review**

The Development Planning Department has requested 5 full time, and 1 conversion of a part-time complement position to a full time permanent position through the 2018 budget process and an additional full time position is contemplated for 2019. These positions are required to meet the increased time and effort related to processing more complex Development Planning applications while at the same time, maintaining service levels. In addition, these ARR requests respond to comments raised during consultations with the development industry that included requests for further processing resources to address applications in a timely manner.

Staff requested Watson to undertake a review of the impact of the ARRs on the Development Planning and CofA fee structures recommended in the Fee Review, should Council approve the additional ARRs. The principle of full cost recovery of the ARRs, through Development Planning and CofA application fees was applied to this review. The results of Watson's analysis are included on Attachment #2. The analysis undertaken by Watson demonstrates that certain fees for Development Planning applications will increase should Council approve the Development Planning Department's ARR requests.

Staff has included a recommendation in this report requesting that should Council approve the ARRs through the 2018 budget process, that the Tariff of Fees for Vaughan Planning applications shown on Attachment #2 be implemented, instead of the fees identified in Attachment #1, commencing January 1, 2018. Should Council approve the ARRs in part, Watson will re-examine the fee structure shown on Attachment #2 to ensure cost recovery for only the approved positions. Should Council not approve any of the ARRs, the Tariff of Fees for Planning Applications shown on Attachment #1 will be implemented, should Council adopt the recommendations of the Fee Review.

#### **Relationship to Term of Council Service Excellence Strategy Map (2014-2018)**

The Fee Review of the Planning Application and Committee of Adjustment fees and charges supports the following Term of Council Service Excellence Strategy Map:

- Council Priority - Meet Council tax rate targets; and
- Service Excellence Strategic Initiative - Sustainable Fiscal Framework.

#### **Regional Implications**

There are no Regional implications associated with this report.

#### **Conclusion**

In late 2015, the City retained Watson & Associates Economists Ltd., to undertake a comprehensive Fee Review of the full costs of the City of Vaughan Service Fee Structure. Phase 2 of the Fee Review consisted of a review of Planning Application and Committee of Adjustment Fees and to make fee structure recommendations to provide for reasonable full cost recovery for the service. The review has included consultation with BILD, other active stakeholders and a

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017**

#### **Item 6, Finance Report No. 8 – Page 13**

review of fee structures in comparable municipalities. The recommended fee structure approach to full cost recovery for fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability.

The recommended fee structure will ensure that the City can continue to provide Development Planning Department and Committee of Adjustment services for land development without subsidy from property taxation while maintaining or improving the levels of service subject to the outcome of budget deliberations. In addition, the proposed fee structure will provide for a recovery of the full costs of providing the Development Planning Department and Committee of Adjustment review services. This report also includes recommendations to ensure full cost recovery is achieved for additional resource requests through the 2018 budget process, should Council approve the requests in whole or in part. This report also identified that the Development Planning Department's Reserve will be maintained and utilized to mitigate financial impacts resulting from the cyclical nature of the land development industry.

In consideration of the above, staff is recommending that the fee structure for Development Planning and CofA applications included in Attachment #1 be approved, and that should Council approve the Development Planning Department's ARRs through the 2018 budget process, that the fees for Development Planning Application included in Attachment #1, be amended, as shown in Attachment #2, to achieve cost recovery.

#### **Attachments**

1. Watson & Associates Economists Ltd. - Report on Development Services Fee Structure Review - Phase 2 - Planning Application Fees, July 28, 2017
2. Watson & Associates Economists Ltd. Memorandum - Planning Application Fee Review - Additional Staff Resource Impacts, August 10, 2017
3. BILD Letter - June 8, 2017
4. BILD Response Brief – June 26, 2017
5. Recommended Tariff of Fees Vaughan Planning Applications, Including Impact of Additional Resource Requests
6. Recommended Tariff of Fees for Committee of Adjustment Fees and Charges

#### **Report prepared by:**

Mauro Peverini, Director of Development Planning, Ext. 8407

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Todd Coles, Deputy City Clerk, Ext. 8332

Rita Selvaggi, Manager, Financial Planning & Analysis, Financial Planning and Development Finance, Ext. 8438

Christine Vigneault, Manager of Development Services, Secretary Treasurer of the Committee of Adjustment, Ext. 8332

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

# City of Vaughan

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## Planning Application Fees Review Presentation Finance, Administration and Audit Committee

September 20, 2017

# Introduction

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- ❑ City retained Watson & Associates Economists Ltd. (Watson) to undertake a comprehensive review of development services fees
- ❑ Review comprises three phases
  - Phase 1 – Development Engineering and Infrastructure Planning Fees
  - **Phase 2 – Planning and COA Application Fees**
  - Phase 3 – Building Permit Fees
- ❑ Last review of planning and committee of adjustment (COA) application fees occurred in 2009

# Study Process

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- Application costing category identification and staff capacity utilization assessment
- Activity-based costing model development
- Draft report findings - full cost recovery fees and financial impacts
- Consultation with the York Chapter of BILD - May 29, 2017
- Feedback from BILD (letter) received - June 8, 2017
- Detailed response provided to BILD - June 28, 2017

# Study Process (Cont'd)

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- Meeting and presentation to BILD Executive - September 11, 2017
- Presentation of Fee Review Recommendations to City's Finance, Administration and Audit Committee

# Fee Review Methodology

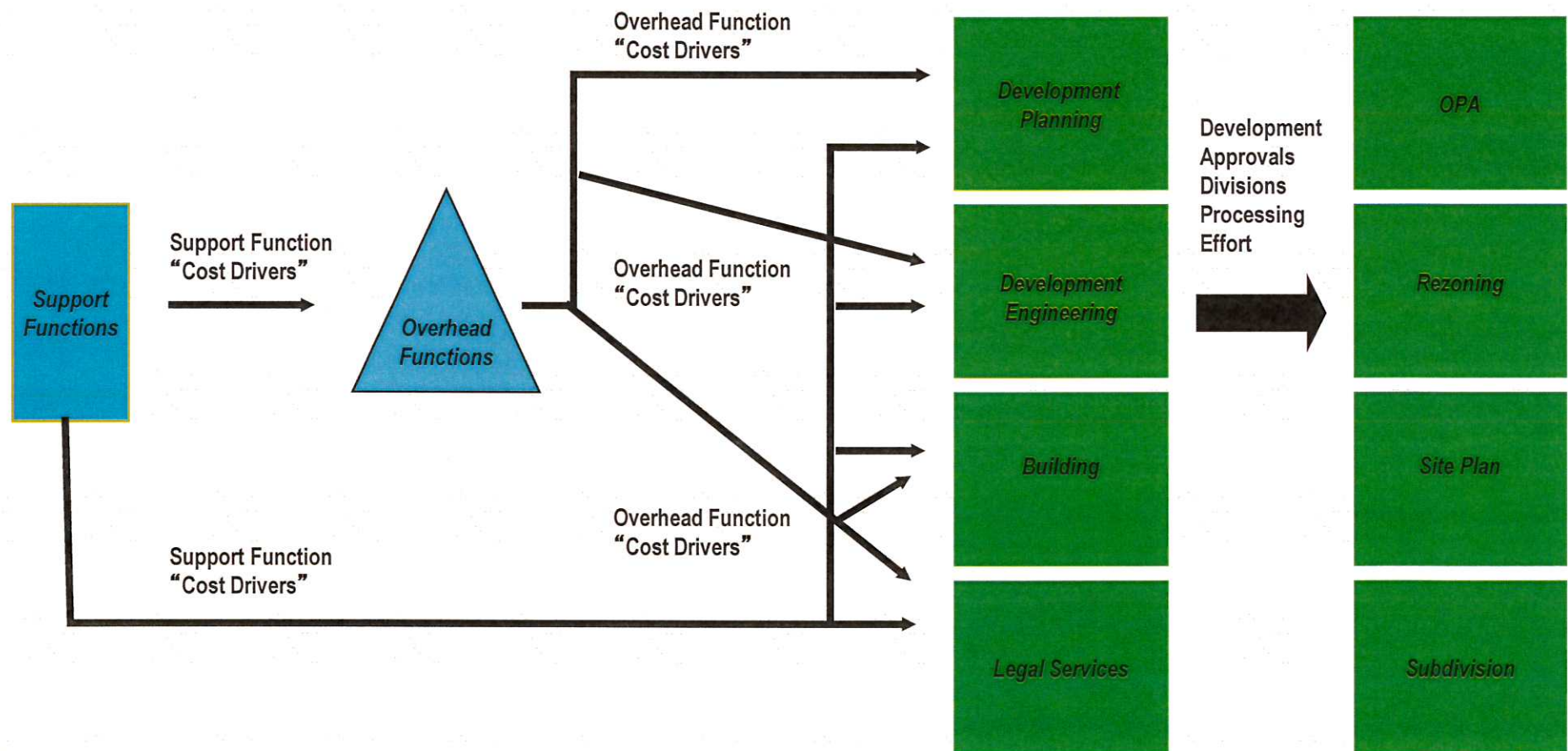
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- ❑ Planning and COA Fees are governed by s. 69 of the *Planning Act*
  - Establish a tariff of fees designed to recover the anticipated cost of processing each type of application
  - No statutory public process requirements, but fees may be paid under protest and appealed to the Ontario Municipal Board
- ❑ Methodology employed is an activity-based costing approach designed to fully recover the costs of application processing services
- ❑ Fee Review is consistent with Council's Fiscal Framework Guiding Principles for cost recovery

# Activity Based Costing Methodology

INDIRECT COSTS

DIRECT COSTS



# Full Cost Definition

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- Full cost recovery activity-based costing definitions:
  - Direct costs – labour costs (e.g. salaries, wages and benefits), operating costs (e.g. materials and supplies, etc.) and capital asset replacement costs associated with individuals directly participating in the application review process
  - Indirect costs – operating costs associated with individuals supporting direct service departments (e.g. HR, facility maintenance, IT, etc.)

# Planning Application Fees

## Costing Categories

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- Planning application costing categories disaggregated by type to understand differences in service costs and to inform fee structure recommendations, consistent with OMB decisions
- Major application types:
  - Official Plan Amendment (OPA)
  - Zoning By-law Amendment (ZBA)
  - Site Development
  - Condominium
  - Subdivision
  - Committee of Adjustment (COA)

# Planning Application Fees

## Costing Categories (Cont'd)

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- Applications further disaggregated by:
  - Development type (i.e. residential, non-residential, mixed use)
  - Development areas (i.e. Vaughan Metropolitan Centre (VMC), Intensification Areas, remaining areas of the City)

# Fees Review Methodology

(Cont'd)

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- ❑ Direct processing involvement from:
  - Office of The Deputy City Manager – Planning and Growth Management Portfolio
  - Development Planning
  - Policy Planning and Environmental Sustainability
  - Development Engineering and Infrastructure Planning
  - Building Standards Department
  - Office of the City Clerk
  - Fire and Rescue Services
  - Parks Development
  - Office of the City Solicitor
  - By-Law and Compliance, Licensing and Permit Services
  - Financial Services

# Development Fee Costing Results

- Average annual full cost recovery by application/surcharge type (based on 2011-2015 average volumes)

Application/Surcharge Type	% Recovery
<b>Applications</b>	
Official Plan Amendment	65%
Zoning By-Law Amendment	77%
Part Lot Control	62%
Interim Control By-law Amendment	126%
Site Development	112%
Condominium	60%
Subdivision	40%
Pre-Application Consultation	52%
Street Naming/Numbering	57%
<b>Surcharges</b>	
Cash in Lieu of Parking	0%
Landscape Plan Review	61%
<b>Total Planning Applications</b>	<b>82%</b>
Committee of Adjustment	61%

# Major Application Fee Findings

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- ❑ Zoning By-Law Amendment fees recover less than average processing costs
  - VMC (mixed use), Heritage Conservation District, and Intensification Area rezoning applications significantly influence the under recovery of costs
- ❑ Site Development fees generally over recover processing costs, with the exception of non-residential applications in VMC and Intensification Areas
- ❑ Official Plan Amendment and Subdivision fees under recover processing costs for all application types

# Fee Structure Recommendations

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- Fee structure recommendations for Official Plan Amendment, Zoning By-Law Amendment, Site Development, and Subdivision applications generally include:
  - Increase base fee component of application fees to reflect fixed processing costs and improve revenue stability
  - Increase flat fees for major and minor OPA applications
  - Introduce surcharges for VMC and Intensification Areas to reflect higher processing costs
  - Implement a declining block rate structure to acknowledge economies of scale in processing costs for larger applications

# Future Application Processing Complexity

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- Typical applications received in 2017, and anticipated in future, require more staff review time related to:
  - Complexity of Applications (e.g. more substantial public process, new complex legal arrangements (e.g. strata, cost sharing), landowner arrangements, brownfield conditions requiring remedial plans);
  - Involvement from external agencies;
  - 3D modeling requirements; and
  - Involvement from the Strategic Advisory Team and Design Advisory Group

# Additional Resource Request Impacts

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- ❑ Additional staff resources have been requested for 2018 and 2019 to maintain existing service levels in anticipation of increasing complexity of applications
- ❑ Impact of additional staff resources on recommended planning application fees has been assessed
  - 95% of salary, wage, and benefit costs associated with additional staff resources to be recovered through fees
  - Additional staffing would further increase planning application fees

# Additional Resource Request

## Impacts (Cont'd)

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- ❑ Fee schedules herein based on the findings of the 2017 Planning Application Fees Review
- ❑ Additional staff resource impacts have been included in the September 20, 2017 Staff Report for Council's consideration

# Recommended Fee Structures

## Revenue Impacts (2017\$)

2017 Budget (\$, millions)			
	Total Processing Costs	2017 Budget Revenue	Unrecovered Processing Costs
Plannig Applications	7.5	5.6	1.9
COA Applications	1.3	0.8	0.5
Total	8.8	6.4	2.4

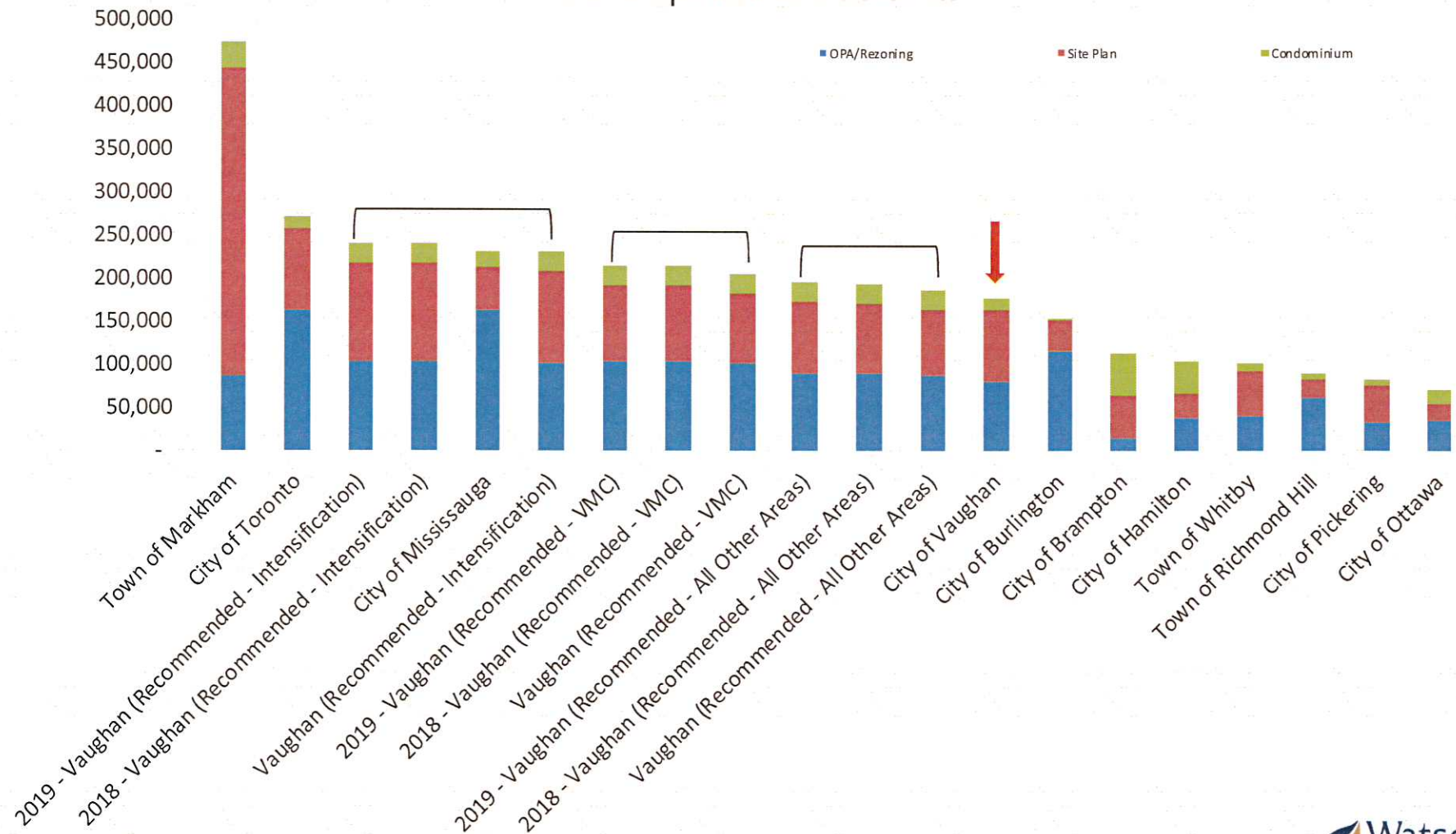
2018 2017 Fee Review Recommendations (\$, millions)			
	Total Processing Costs	Recommeded Fee Revenue	Unrecovered Processing Costs
Plannig Applications	7.5	7.5	-
COA Applications	1.3	1.3	-
Total	8.8	8.8	-

2018 With Additional Resource Impacts (\$, millions)			
	Total Processing Costs	Recommeded Fee Revenue	Unrecovered Processing Costs
Plannig Applications	7.9	7.9	-
COA Applications	1.3	1.3	-
Total	9.2	9.2	-

2019 With Additional Resource Impacts (\$, millions)			
	Total Processing Costs	Recommeded Fee Revenue	Unrecovered Processing Costs
Plannig Applications	8.0	8.0	-
COA Applications	1.3	1.3	-
Total	9.3	9.3	-

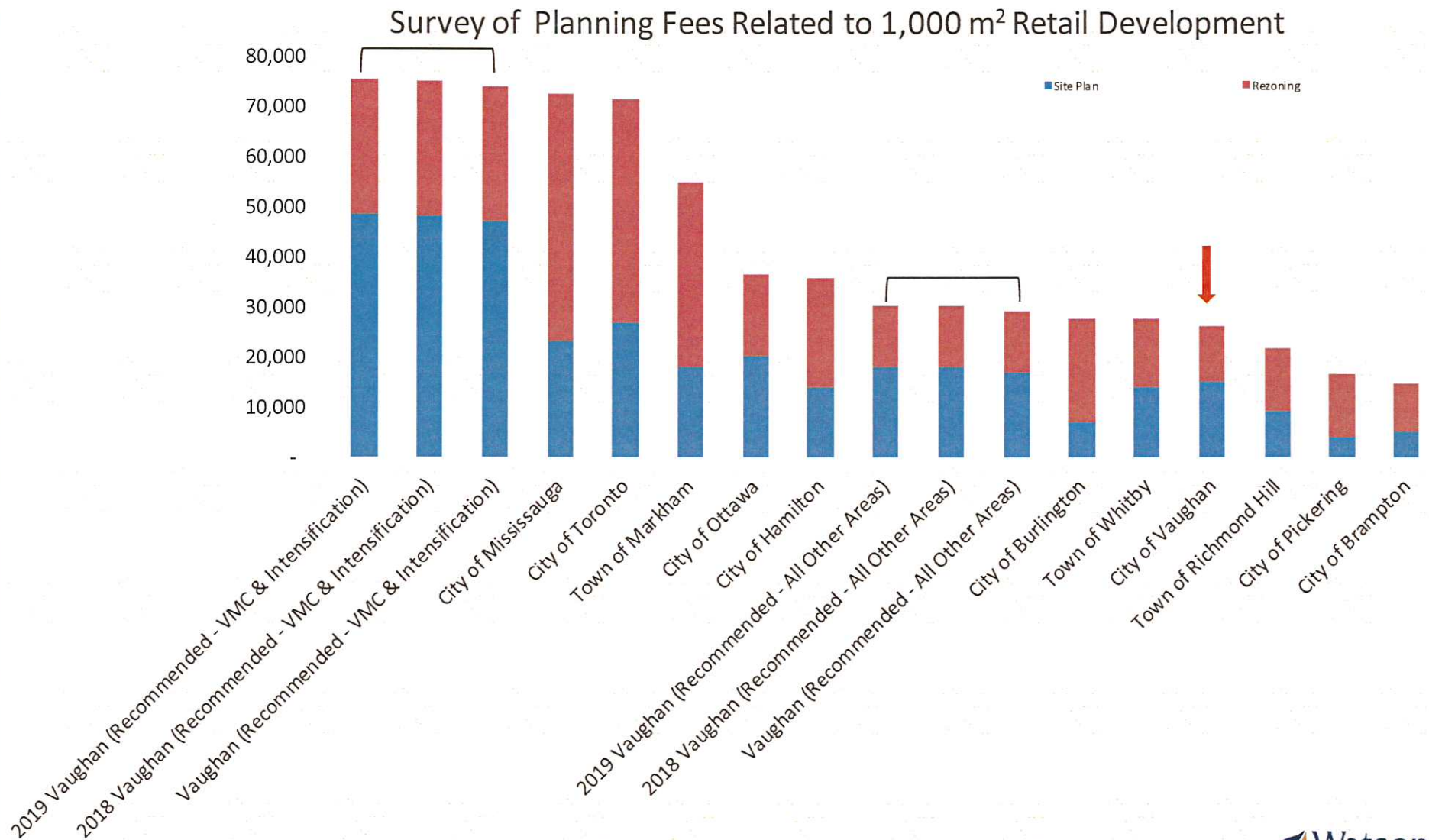
# Planning Application Fees Comparison (200 Unit Multi-Res. Condo)

Survey of Planning Fees Related to a Mult-Residential Condominium Development of 200 Units



As at April 1, 2017

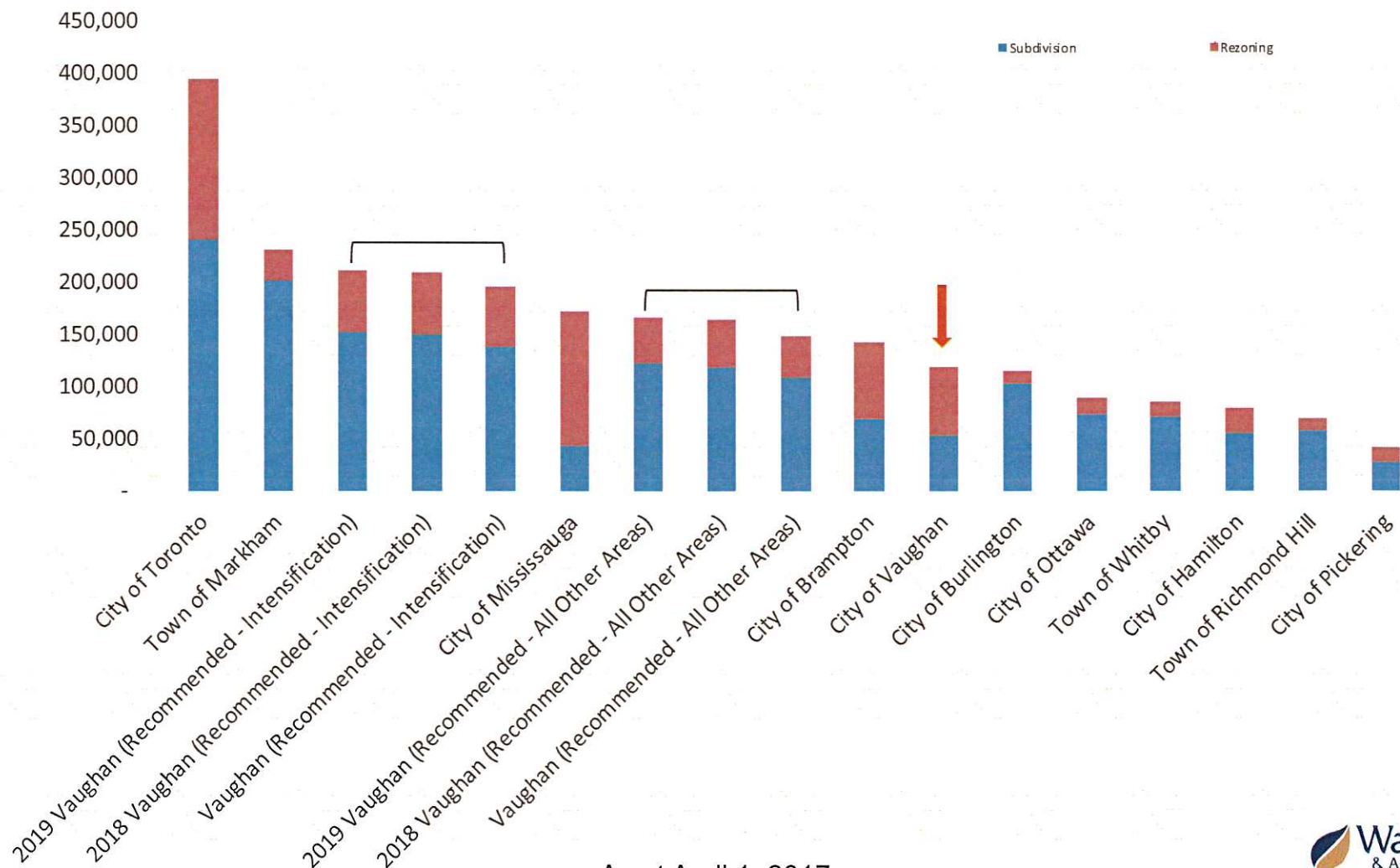
# Planning Application Fees Comparison (1,000 sq.mt. Retail Development)



As at April 1, 2017

# Planning Application Fees Comparison (100 Unit Subdivision)

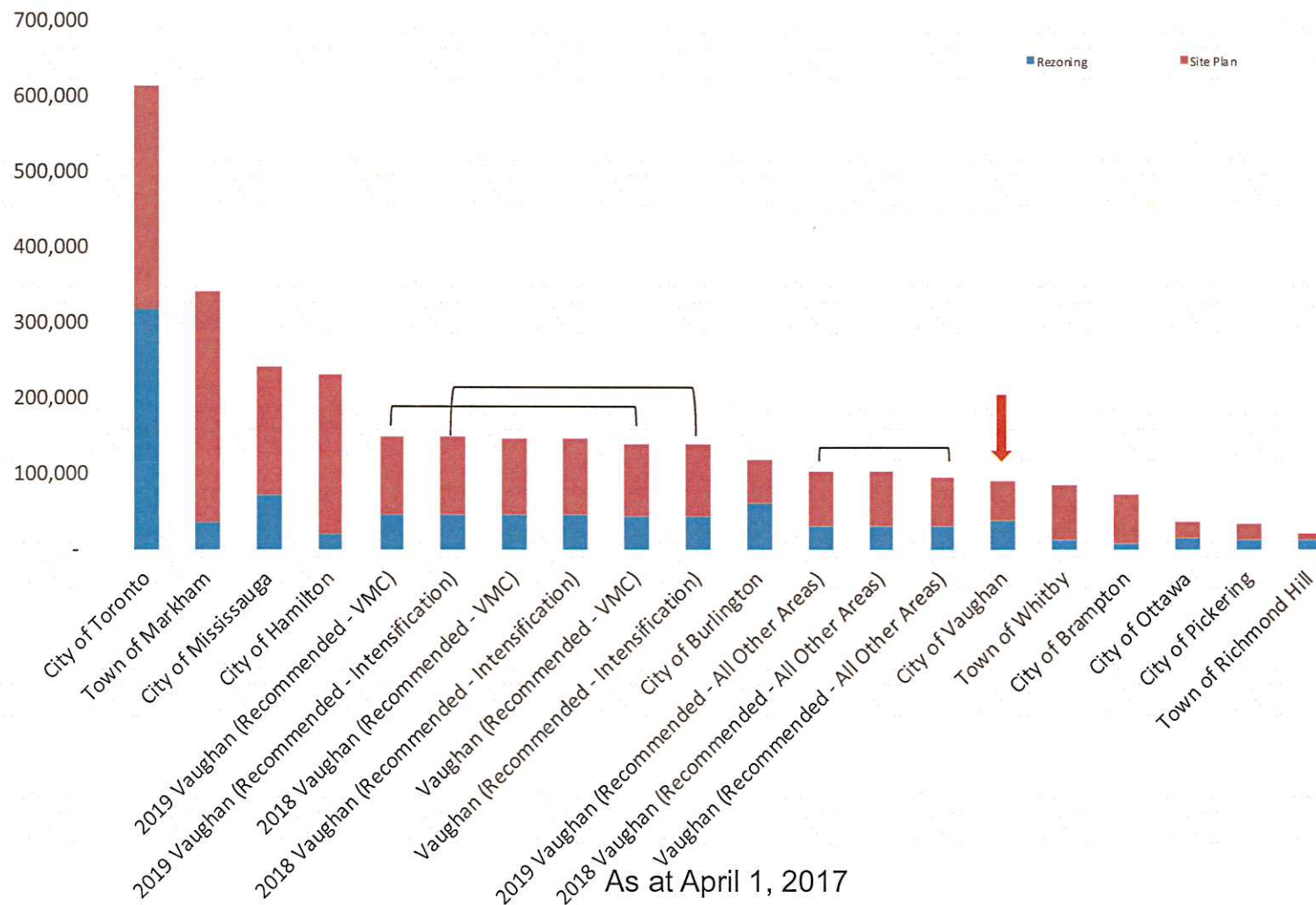
Survey of Planning Fees Related to a Residential Subdivision of 100 Single Dwelling Units



As at April 1, 2017

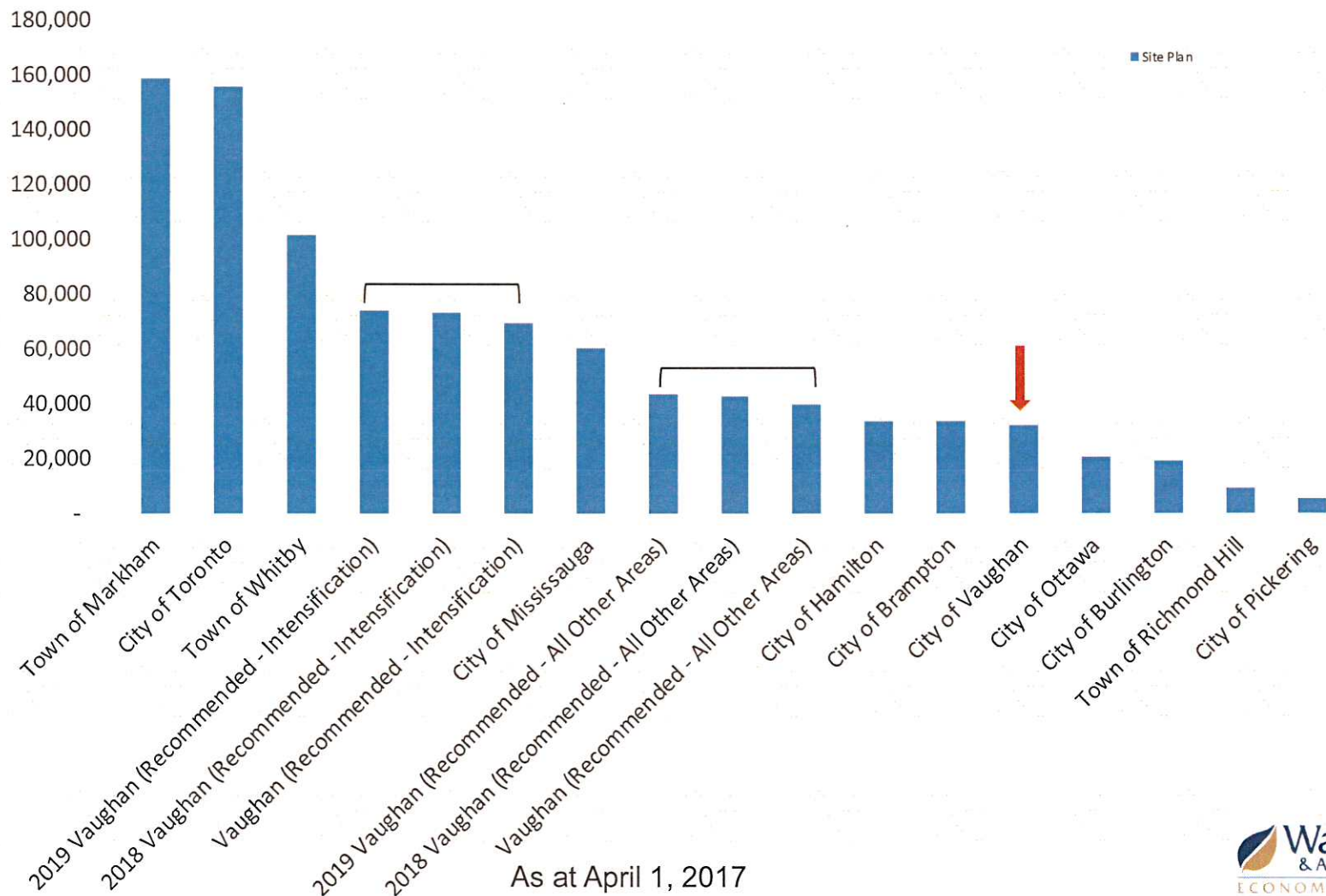
# Planning Application Fees Comparison (40,000 sq.mt. Office)

Survey of Planning Fees Related to a 40,000 m<sup>2</sup> Office Development



# Planning Application Fees Comparison (20,000 sq.mt. Industrial Site Plan)

Survey of Planning Fees Related to Industrial Development (20,000 m<sup>2</sup>)



As at April 1, 2017

# Next Steps

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- Receive approval from Council on proposed planning and COA application fee recommendations
- By-law passage for fee implementation (Dec, 2017)
- New fee structure to take effect January 1, 2018

**CITY OF VAUGHAN DEVELOPMENT SERVICES FEE STRUCTURE REVIEW  
PHASE 2 - PLANNING APPLICATION FEES  
CITY-WIDE**

**Recommendation**

The Deputy City Manager of Planning & Growth Management, the Chief Financial Officer & City Treasurer, the Director of Development Planning, the Director of Financial Planning and Development Finance, Deputy City Treasurer, and the Deputy City Clerk recommend:

1. That the City of Vaughan Development Services Fee Structure Review, Phase 2 – Planning Application Fees, and Planning Applications Fee Review – Additional Staff Resource Impact, included as Attachments #1 and #2 respectively, prepared by Watson & Associates Economists Ltd., BE RECEIVED.
2. That the following By-laws be amended to implement the recommendations of the City of Vaughan Development Services Fee Structure Review, Phase 2 – Planning Application Fees, included as Attachment #1, prepared by Watson & Associates Economists Ltd.:
  - a) the Tariff of Fees for Vaughan Planning Applications By-law 173-2013;
  - b) By-law 203-15 to provide for fees and charges under the *Planning Act* for Committee of Adjustment applications; and
  - c) By-law 198-2016, to provide general fees and charges under the Municipal Act.
3. Notwithstanding Recommendation 2 above, should Council approve the Development Planning Department's additional resource requests as discussed in this report through the 2018 budget process, that the Tariff of Fees for Vaughan Planning Applications By-law 173-2013, be further amended to implement the fees shown on Attachment #2 for Development Planning applications. Alternatively, should Council approve the additional resource requests in part, that the Tariff of Fees for Planning Applications shown on Attachment #2 be reviewed by Watson & Associates Economists and modified to capture the full cost recovery only for the approved additional resource requests.

**Contribution to Sustainability**

The Development Planning Department retained Watson & Associates Economists Ltd. ("Watson") to undertake a review ("Fee Review") of the full costs of processing the Development Planning Department and Committee of Adjustment (CofA) applications and to make fee structure recommendations to achieve full cost recovery pursuant to the *Planning Act* and Council's Fiscal Framework Guiding Principles.

The planning application and CofA fees were last reviewed by Watson approximately 9 years ago. The proposed fees and charges will ensure the City continues to provide timely reviews of Development Planning and CofA applications.

**Economic Impact**

The purpose of the Fee Review is to identify the total costs of processing Development Planning and CofA applications and establish a fee structure to achieve full cost recovery for each application type and services. This will allow continued funding of the Development Planning and CofA application review processes with no impact on the property tax rate.

The Fee Review recommendations are anticipated to increase the overall Development Planning Department and CofA application cost recovery performance to full cost recovery levels.

Based on the anticipated application volumes and application characteristics for 2017, the City budgeted Development Planning application fee revenues of \$5.6 million and CofA application revenues of \$0.8 million. The Fee Review results indicate that the City's current fee structure is recovering only 82% and 61% of the cost of processing Development Planning and CofA applications, respectively. The remaining balance of the costs are subsidized from property taxation. The proposed fee structure would eliminate the property tax subsidy and appropriately recover the balance of costs from the user fee base. If the full cost recovery fee recommendations had been applied to the 2017 budgeted application volumes and characteristics, they could have been expected to generate approximately \$1.9 million in additional revenue for the Development Planning Department and \$0.5 million for the CofA.

The approach to full cost recovery for Development Planning and CofA application fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability. In particular, this approach is in line with the guiding principle of growth pays for growth such that infrastructure and services that support new growth should be funded, to the fullest extent possible, through new property tax assessment and growth-related revenues. New property tax assessment should not subsidize existing service levels.

The Fee Review also included a review of other Greater Toronto Area (GTA) municipalities and has demonstrated that the application fees imposed under the recommended fee structure would be comparable to those GTA municipalities.

### **Communications Plan**

The development industry has been engaged in the Fee Review and will continue, through the Building Industry and Land Development Association (BILD), to be engaged in the final phase of the Fee Review for the Building Standards Department.

BILD and the York Chapter members were engaged at the following stages of the Fee Review process:

- *City of Vaughan Fee Review:* During the Fee Review of the Development Engineering and Infrastructure Planning Department, an introduction forum was held on October 5, 2015, to introduce Watson and to present the methodology for the Fee Review. Watson conducted all phases of the Fee Review using the same methodology to maintain consistency throughout the process.
- *Project Initiation and Methodology:* At a BILD executive meeting held on October 11, 2016, BILD was advised that a planning application fee review would commence in 2017. Subsequently, at a March 21, 2017, BILD executive meeting, BILD was advised that the Fee Review had commenced and that further consultation regarding the draft results would be communicated to BILD representatives.
- *Preliminary Results:* A meeting was held with the York Chapter of BILD and development industry representatives on May 29, 2017, to present the preliminary results of the Fee Review and to receive comments from the development industry.
- *Follow-up:* At the May 29, 2017 meeting, several comments were received from BILD representatives. BILD also submitted a letter dated June 8, 2017 (Attachment #3) that included questions and some concerns regarding the proposed fee structure. A response brief (Attachment #4) was prepared to provide additional information related to the questions raised at the meeting and the June 8, 2017 letter. The input and comments received from BILD and development industry representatives were considered in the Fee Review process and the final recommendations.
- *Notice:* A Notice of this Finance, Administration and Audit Committee meeting was sent to BILD and distributed to the York Chapter of BILD on August 30, 2017.

- *Follow-up:* At the time of report publication a meeting is scheduled for September 11, 2017 where Development Planning Department staff will make a presentation at a regularly scheduled BILD executive meeting. The presentation will summarize the findings and recommendations of the Fee Review and provide an additional opportunity for BILD to ask questions related to the review.

It is noted that the Planning Application Fee Review - Additional Resource Impacts (Attachment #2) addendum report undertaken by Watson did not form part of the consultation process with BILD outlined above.

### **Purpose**

The purpose of this report is to:

1. Provide Council with the results of the Development Planning Department and Committee of Adjustment Application Fee Review conducted by Watson.
2. Seek Council's approval of Watson's recommendations contained in the Fee Review (Attachment #1) for Development Planning and Committee of Adjustment applications and for general Fees and Charges related to the review of Development Planning applications.
3. To advise Council of the Development Planning Department's additional resource requests (ARRs) for the 2018 budget process and the impact on the Fees and Charges for Development Planning applications recommended by Watson in the Fee Review to maintain full cost recovery; and, to seek Council's approval of the revised Fees and Charges (Attachment #2) should the ARRs be approved, in full or in part, through the budget process.
4. To obtain Council direction to amend the current in-effect fee By-laws, as identified in this report, to implement the Fees and Charges recommended by the Fee Review for Development Planning and CofA applications.

### **Background - Analysis and Options**

The City of Vaughan is one of Canada's fastest growing cities. Vaughan's current population of approximately 318,000 is expected to grow by over 30% in the next 15 years to over 416,000 by 2031, and potentially upwards to 490,000 by 2041. Based on the City of Vaughan Official Plan 2010 (VOP 2010), approximately 50% of the planned growth over the next 15 years will occur through urban intensification. This growth is anticipated in the Vaughan Metropolitan Centre (VMC), along transit corridors and through infill development within existing communities.

#### **1. Continuous operational and efficiency reviews have positioned the Development Planning Department to respond to the planned development forms envisioned in the City's Official Plan**

Since the adoption of Vaughan Official Plan 2010, the Development Planning Department has reviewed its operations, procedures, and processes to meet the challenges associated with city building, and includes:

- In November 2013, the first VMC Project Manager staff complement was hired followed thereafter by two additional staff complement to form the VMC Project Management Team dedicated to facilitating development applications in the VMC.
- In 2014, a functional review the Public Works Commission was undertaken which included a review of the Development Planning Department. The review recommended that one additional Senior Manager of Development Planning position be created to respond to development pressures. This review resulted in the Development Planning Department being organized into two geographic teams that are responsible for all development applications located west and east of Highway 400.

- In 2015, an exercise of mapping the development process was undertaken with the objective of documenting the land development process in Vaughan, identifying gaps and challenges in the current development approval process and assessing resource capacity, and recommended process improvements. The initial results of the mapping exercise revealed the need to leverage technology to improve application tracking for both internal and external stakeholders, and to develop standard operating procedures to improve efficiency.
- In 2015, a concerted effort was undertaken to update PLANit, the Development Planning Department's database used to manage development applications. This included upgrades to the software, enhancements to its' functionality and the introduction of the PLANit Viewer, which allows anyone with internet access to view development application information on-line. A permanent part-time position was also created to update PLANit with current and historical data related to planning applications. The data has been updated going back to 2010 Development Planning applications.
- The Development Planning Department will continue to review its processes and procedures to deliver Service Excellence to achieve the objectives of the Term of Council Strategy Map 2018.

## **2. Planning application and Committee of Adjustment fees were last reviewed 9 years ago and the increased effort to process complex intensification and infill development proposals has necessitated a review of the Development Planning and Committee of Adjustment fees and charges**

As previously noted, Development Planning and CofA application fees were last reviewed by Watson approximately 9 years ago. Municipalities periodically undertake a review of their fees to address changes in development cycles, application characteristics and cost-recovery levels to identify fee structures that more accurately reflect processing levels. With new and emerging Provincial and Regional policy initiatives, the City of Vaughan is experiencing more medium and high density development proposals in intensification areas and infill development in existing communities.

These development proposals have contributed to an increased level of complexity and time required to process Development Planning applications. In addition, new regulatory and non-regulatory initiatives such as the requirement for water balance reports, the introduction of Pre-Application Consultation (PAC) Meetings, and requirements for wind and sun/shadow studies and other technical studies related to high density development have added new layers of review that were not previously required legislatively or deemed necessary to assess more historic low rise forms of development in Vaughan.

Greater effort and time is required to review intensification/infill development proposals due to the complexity associated with the planning review and approvals often requiring multiple applications (e.g. Official Plan, Zoning, Subdivision and Site Development applications). Development Planning applications proposing infill/intensified development require additional planning reviews, increased public consultation and multiple meetings with the applicant and agencies to address matters such as land use compatibility, site organization, built form, etc.

Large scale and more intense Development Planning applications in the VMC require the consideration, evaluation and implementation of new approaches to development not previously experienced in the City of Vaughan including, but not limited to, stratified road and park proposals, density transfer requests, and Design Review Panel reviews. Implementing documents such as Official Plan and Zoning By-law Amendments, Site Plan Agreements, Section 37 and strata agreements and other development agreements are also more complex requiring more time and effort to draft, review and execute.

### 3. Watson was retained by the City to carry out a comprehensive Fee Review of development related fees and charges including those for the Development Planning Department and the Committee of Adjustment

Watson was retained by the City to complete a comprehensive Fee Review of the development related fees and charges, which commenced with the Development Engineering and Infrastructure Planning (DEIP) fees. The second phase of the Fee Review relates to the Development Planning and CofA application fees, followed by the final phase of the Fee Review, representing the Building Standards Department fee review. The scope of the Fee Review, included the following key objectives:

- Provide an evidence-based rationale that considers the processes involved in the Development Planning Department and CofA application review processes and the level of staff effort to achieve full cost recovery. The approach to full cost recovery for fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability.
- Review current processes and capture the current overall staff effort required in the Development Planning and CofA application review processes.
- Consider new revenue opportunities and best practice fee-based funding model options.
- Consider the impact of the recommended fee structure changes on the development industry.
- Consider Vaughan's Development Planning and CofA application fees compared to other municipalities.

The approach to full cost recovery for fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability. The proposed fee structure would eliminate any property tax subsidy and appropriately recover the balance of costs from the user fee base.

### 4. Key finding of Watson's Fee Review

A copy of Watson's final Fee Review reports are appended to this report as Attachments #1 and #2. The draft Fee Review was completed in July 2017, and an addendum report titled Planning Application Fee Review – Additional Staff Resource Impacts was completed on August 10, 2017. The key finding of the Fee Review is that the current fee structure for Development Planning and CofA applications with the exception of site development applications are not recovering the City's costs for development applications as follows:

Application Type	% Current Full Cost Recovery
Official Plan	81%
Zoning By-law Amendment	89%
Site Development Application	123%
Draft Plan of Subdivision	42%
Draft Plan of Condominium	60%
Part Lot Control	62%
Pre-Application Consultation (PAC)	52%
<b>Other Application Fees</b>	
Landscape Plan Review	61%
Street Naming / Numbering	57%
<b>Total Planning Applications</b>	<b>82%</b>
<b>Committee of Adjustment</b>	<b>61%</b>

Overall the fees currently charged are not recovering the City's costs for both Development Planning and CofA applications based on 2017 budgeted revenue as follows:

	\$ (millions)		
	2017 Budget Revenue	Unrecovered Processing Costs	Total Processing Costs
Planning Applications	5.6	1.9	7.5
CofA Applications	0.8	0.5	1.3
Total	6.4	2.4	8.8

The Fee Review demonstrates that the City is not achieving full cost recovery for the review of Development Planning and CofA applications and therefore the current fee structure is not aligned with Council's Fiscal Framework Guiding Principles to ensure long term financial sustainability.

#### **5. The key recommendations of the Watson Study include adjusting planning application and Committee of Adjustment fees to achieve full cost recovery consistent with Council's Fiscal Framework Guiding Principles**

The Fee Review includes several key recommendations related to Development Planning and CofA application fees. The guiding principles for the fee recommendations is to achieve full cost recovery as permitted by the *Planning Act* and consistent with Council's Fiscal Framework Guiding Principles. The recommendations are generally summarized for each application type as follows:

##### **General Recommendations**

- Implement a new fee structure that aligns the full cost recovery of processing costs to application characteristics to balance *Planning Act* compliance, applicant benefits and municipal revenue certainty. The Fee Review recommendations included in Attachment #1 are anticipated to increase overall planning applications cost recovery performance to full cost recovery levels for each application type.
- Generally, increase the base fee for each application type with less reliance on per unit fees.
- The introduction of surcharge fees for Development Planning applications in the VMC, Intensification Areas and infill projects.
- Implementation of a declining unit rate structure to recognize economies of scale in processing larger applications.
- Should Council approve the Development Planning Department's additional resource requests through the 2018 budget process, that the fee structure for Development Planning application fees and charges shown on Attachment #2 be implemented to achieve cost recovery.

##### **Proposed Fee Structure Summaries**

The fee structures for Development Planning applications and Committee of Adjustment application are included in Attachments #1 and #2. A summary of these fees structures for ease of reference is provided for Development Planning and CofA applications on Attachments #5 and #6, respectively. The fees shown on Attachment #5 included the recommended fee structure by the Fee Review, and the impact on the recommended fee structure resulting from Development Planning Department additional resource requests in 2018 and 2019, as discussed in this report. The Attachment also includes the draft explanatory notes related to certain fees that will be included in the Tariff of Fees for Vaughan Planning Applications By-law, should Council approve the recommendations in this

report. The fees shown on Attachments # 5 and #6 are based on 2018\$. The 2019 fees shown on Attachment #5 will be subject to the annual inflationary fee increase to be determined by the City, in recent years in the range of 3%.

### **Recommendation by Application Type**

#### **a) Official Plan Amendment (OPA) Application**

The City currently charges fees for Major and Minor OPAs and surcharges upon application approval. Major OPA and surcharge fees are \$26,198 and \$6,607 respectively. Minor OPA and surcharge fees are \$12,272 and \$3,687 respectively. Based on the results of the activity based costing model prepared by Watson, Major and Minor OPA applications would require fees of \$41,400 and \$26,900 respectively, to achieve full cost recovery.

#### **b) Zoning By-Law Amendment (ZBA) Application**

Fee recommendations for ZBA applications were designed to recover the average processing costs for different (e.g. residential, non-residential and mixed-use) application types. The recommendations are based on the average processing costs and consideration was given to the marginal anticipated processing costs of the application sub-types (e.g. VMC, Intensification Areas, Heritage Conservation Districts (HCD) and standard applications).

On average, residential and non-residential Zoning applications are over recovering the costs of processing, while mixed-use Zoning applications are under recovering the anticipated processing costs, resulting in an overall under recovery of fees for ZBA applications. As applications increase in size, cost recovery levels improve. Thus, the recommended fee structure includes a higher application base fee and a decreasing block fee structure for residential per unit fees as the number of units increases. The decreasing block fee is designed to align cost recovery with the marginal costs of processing a larger application with a greater number of units. Base fees for non-residential and mixed-use applications have been increased in line with residential base fees. Increased base fees and the average size of non-residential and mixed-use applications indicates that variable per hectare fees should be decreased.

#### **c) Site Development Application**

Average revenues for residential and mixed-use applications are currently greater than the average processing costs for larger applications, while non-residential applications are generally under recovering average processing costs.

The recommended fee structure for a Site Development application includes an increased base fee and the imposition of a declining block fee structure for residential per unit fees. Although the proposed fee structure has been designed to recover processing costs by Site Development application type (residential, non-residential, mixed-use), the fee structure was also measured against the costs of processing application sub-types (VMC, Heritage Conservation Districts, Intensification Areas, standard applications). Large scale residential applications in the VMC and other areas are recovering higher revenues than average costs and as such a declining block fee structure will help to improve the relationship between cost recovery and processing effort.

The recommended fee structure for mixed-use applications also includes the imposition of a declining block fee structure for the residential component of development. Per unit fees are lower than currently imposed, reflective of the large size of mixed-use Site Development applications.

#### **d) Draft Plan of Subdivision Application**

Draft Plan of Subdivision application fees are currently on average recovering 42% of the costs of processing. As such, Watson recommended base and variable fee increases for all Draft Plan of Subdivision application types. Furthermore, as with residential ZBA and Site Development applications, Watson recommended that the variable per unit fee structure for residential applications be modified from its current format to a declining block structure.

The one fee for the registration of additional subdivision phases increased substantially based on the underlying processing effort estimations. A review of similar fees charged by other surrounding municipalities was conducted to assess this fee for reasonableness. The Fee Review identified similar fees charged by several surrounding municipalities are much lower. To ensure reasonableness, Watson and the City have proposed revising the recommended fee for this charge from \$23,097 to \$3,126.

#### **e) Draft Plan of Condominium Application**

The process of reviewing Draft Plan of Condominium applications was costed and the Fee Review recommended a flat fee of \$22,944.00 for Draft Plan of Condominium applications to achieve full cost recovery. The recommended fee would apply to Standard, Common Element, Vacant Land, Amalgamated, Phased, and Leasehold Draft Plan of Condominium applications.

#### **f) Part Lot Control, Landscape Plan Review, Pre-Application Consultation (PAC), Street Naming, Street Name Changes and Street Numbering/Number Changes**

The fees imposed for a Part Lot Control application and planning services are flat fees (i.e. a base fee without any surcharges). Watson's recommended fee structure to achieve full cost recovery for these planning services are shown on Attachment #1.

#### **g) New Fees - Zoning By-law Amendment Section 37, Cash-in-Lieu of Parking**

Application review processes were included to consider the imposition of new fees related to Zoning By-law Amendment applications requiring a Section 37 benefit and Cash-in-Lieu of Parking. These fees would cover the additional time and effort incurred to determine the cash-in-lieu amounts (e.g. review of land appraisals, negotiations, peer reviews as necessary and the preparation and execution of implementing documents). The full recovery cost recommendations for each application requiring for these services are as follows:

- Zoning By-law Amendment with a Section 37 benefit - \$28,410
- Zoning By-law Amendment with a Cash-In-Lieu of Parking - \$2,616.

#### **h) Committee of Adjustment Application Fees**

Committee of Adjustment application fees were last reviewed approximately 9 years ago by Watson. Since that time CofA fees have increased based on a "cost-of-living" rate, but now only recover approximately 61% of the processing costs. Increasing the CofA application fees to recover the City's costs for processing these applications will reduce the tax-base subsidy for operating costs. The proposed application fees are expected to increase revenues by approximately \$500,000 in 2018.

The Committee of Adjustment full cost recovery Fee Review recommendations are included in Attachment #6. Except for Change of Conditions Consent applications, all fees are recommended to increase, based on the cost recovery performance results of the Fee Review. The Fees and Charges shown on Attachment #6 include a 3% increase for 2018.

Committee of Adjustment staff have reviewed the Fee Review and recommend an additional "adjournment fee" of \$515.00. This fee represents the additional staff time, effort and costs

associated to accommodate an adjournment request from an applicant. The fee will not be imposed when the Committee of Adjustment or staff recommends an adjournment for a CofA file. A request to adjourn a CofA application requires that an application be rescheduled and recirculated, the re-production of agenda packages and draft decisions, and the re-posting of information online. The Committee, the Manager of Development Services/Secretary-Treasurer to the Committee of Adjustment, as well as Planning and Zoning staff must also address the application, as required, at each re-scheduled hearing.

The \$515.00 fee represents the additional staff time required to process a request from an applicant to adjourn a CofA application.

## **6. Fee review recommends surcharges for development applications in the VMC, Intensification Areas and for Infill Development**

The Fee Review recommends surcharge fees for Zoning By-law Amendment, Site Development, and Draft Plan of Subdivision applications in the VMC, Intensification Areas and for Infill Development to achieve full cost recovery of these applications. The recommended surcharge would be cumulative and applied for each application type being processed. For the purposes of the new Tariff of Fees By-law for Development Planning applications, the VMC, Intensification Areas and Infill Development applications subject to the recommended surcharge will only apply to the Development Planning applications that meet the following criteria:

- a) VMC - Any Development Planning application for a property located within the boundary of the Vaughan Metropolitan Centre (VMC) as defined by the VMC Secondary Plan. The surcharge will apply to Development Planning applications that facilitate new development and redevelopment proposals.
- b) Intensification Areas - Any Development Planning application for a property located within an Intensification Area identified on Schedule 1 - Urban Structure of Vaughan Official Plan (VOP) 2010, or any Secondary Plan Policies (Section 11), Area Specific Policies (Section 12), or Site-Specific Policies (Section 13) constituting Volume 2 of VOP 2010. The surcharge will apply to Development Planning applications that facilitate new development and redevelopment proposals.
- c) Infill Development - Any Development Planning application for a property where the proposal is for development that meets the following definition:

Infill Development means the development or redevelopment of a property, site or area with new development at a higher density or building height than is currently permitted by the Official Plan. The surcharge fee will not apply to a Development Planning application for street townhouse development, but shall apply to all other forms of townhouse development (e.g. common element, back-to-back, row, stacked, etc.). Infill development also includes all residential apartment and mixed-use buildings.

In each case above (i.e. VMC, Intensification Area and Infill Development) the surcharge will not apply to Development Planning applications that are minor in nature such as additions or expansions of existing buildings, a change in use in an existing building, or an amendment to a development standard (e.g. number of units or gross floor area).

## **7. Recommended fees to apply only to redevelopment / new development in the City's Heritage Conservation Districts (HCDs)**

The Fee Review recommendations will not apply to any Development Planning application that will facilitate the retention, adaptive reuse, or a minor alteration(s) (e.g. addition) of an existing building that is designated as Part 4 or Part 5 under the *Ontario Heritage Act* or recognized in the City's Built Heritage Inventory. However, any Development Planning

application for new development / redevelopment within a HCD will be subject to the Intensification Area/Infill surcharge fee recommended in the Fee Review.

**8. Planning application fees will be adjusted from year to year to reflect cost of living increases**

The Fee Review is based on an analysis of the past 5 years of Development Planning and CofA applications. Watson's recommended fee structures for Development Planning and CofA applications included in Attachments #1 and #2 are based on recommended fees in 2017\$.

Should Council approve the Fee Review recommendations in this report, the Development Planning and CofA application fees shown on Attachments #1 and #2, will take effect on January 1, 2018, and will incorporate a 3% inflationary adjustment. Thereafter, Development Planning and CofA application fees will be adjusted on an annual basis to reflect inflationary increases in line with targets approved by Council to ensure no future cross-subsidization from property taxation. The increases have typically been, in recent years, in the range of approximately 3%. Other adjustments, as may be required to respond to new legislative review requirements, additional staff resources, or adjustments as necessary may be applied from time to time, as required.

**9. Based on an industry scan, the proposed Development Planning application fees and charges are comparable with neighbouring municipalities**

To ensure the recommended fees are in line with neighbouring municipalities, a fee comparison was undertaken. Watson undertook a review of the proposed application fees utilizing different development application scenarios (e.g. a 200-unit residential and mixed-use condominium, 1,000 m<sup>2</sup> retail development, 100-unit subdivision, 40,000 m<sup>2</sup> office building) relative to other municipalities in the Greater Toronto Area (GTA) and southern Ontario (Mississauga, Brampton, Toronto, Markham, Richmond Hill, Burlington, Whitby, Hamilton, Pickering, and Ottawa).

The Fee Review also included an analysis of the application fees as a percentage of the overall cost of development, which includes building permit fees and development charges. The results of the reviews are included in Attachment #1 and demonstrate that the proposed fee structure for Development Planning applications in the City of Vaughan would not be the highest relative to these municipalities and that in most cases would remain lower than most direct comparables, those being Mississauga, Markham and Richmond Hill.

The analysis also demonstrates that the new Development Planning application fees would represent 1 to 2% of the overall approval costs associated with development, save and except for the retail development scenario where planning fees would account for 7% of the overall cost of development, which is still the lowest amongst all the other municipalities reviewed, except Brampton (4%). Given the comparison, the recommended fees are in line with the city's comparator municipalities and therefore, validate the Fee Review completed by Watson.

**10. The Development Planning reserve fund will manage the cyclical nature of land development**

The Fee Review recommendations will ensure that the City can continue to provide Development Planning Department review services for land development proposals without subsidy from property taxation. The number, type and scale of Development Planning applications received by the City in any calendar year is subject to many external factors such as interest rates, government policy, general market conditions, and available servicing capacity. The City has been the recipient of continued growth and the number of Development Planning applications has remained strong for the last number of years.

However, a Development Planning Reserve exists to mitigate the financial impact of volatile economic trends. Funds in the reserve will serve to smooth significant revenue variances that may result from the cyclical nature of land development.

**11. Additional Resource Requests (ARRs) through the 2018 budget process, if approved by Council, will increase the Development Planning application and CofA application fees recommended by the Fee Review**

The Development Planning Department has requested 5 full time, and 1 conversion of a part-time complement position to a full time permanent position through the 2018 budget process and an additional full time position is contemplated for 2019. These positions are required to meet the increased time and effort related to processing more complex Development Planning applications while at the same time, maintaining service levels. In addition, these ARR requests respond to comments raised during consultations with the development industry that included requests for further processing resources to address applications in a timely manner.

Staff requested Watson to undertake a review of the impact of the ARRs on the Development Planning and CofA fee structures recommended in the Fee Review, should Council approve the additional ARRs. The principle of full cost recovery of the ARRs, through Development Planning and CofA application fees was applied to this review. The results of Watson's analysis are included on Attachment #2. The analysis undertaken by Watson demonstrates that certain fees for Development Planning applications will increase should Council approve the Development Planning Department's ARR requests.

Staff has included a recommendation in this report requesting that should Council approve the ARRs through the 2018 budget process, that the Tariff of Fees for Vaughan Planning applications shown on Attachment #2 be implemented, instead of the fees identified in Attachment #1, commencing January 1, 2018. Should Council approve the ARRs in part, Watson will re-examine the fee structure shown on Attachment #2 to ensure cost recovery for only the approved positions. Should Council not approve any of the ARRs, the Tariff of Fees for Planning Applications shown on Attachment #1 will be implemented, should Council adopt the recommendations of the Fee Review.

**Relationship to Term of Council Service Excellence Strategy Map (2014-2018)**

The Fee Review of the Planning Application and Committee of Adjustment fees and charges supports the following Term of Council Service Excellence Strategy Map:

- Council Priority - Meet Council tax rate targets; and
- Service Excellence Strategic Initiative - Sustainable Fiscal Framework.

**Regional Implications**

There are no Regional implications associated with this report.

**Conclusion**

In late 2015, the City retained Watson & Associates Economists Ltd., to undertake a comprehensive Fee Review of the full costs of the City of Vaughan Service Fee Structure. Phase 2 of the Fee Review consisted of a review of Planning Application and Committee of Adjustment Fees and to make fee structure recommendations to provide for reasonable full cost recovery for the service. The review has included consultation with BILD, other active stakeholders and a review of fee structures in comparable municipalities. The recommended fee structure approach to full cost recovery for fees is aligned with the City's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability.

The recommended fee structure will ensure that the City can continue to provide Development Planning Department and Committee of Adjustment services for land development without subsidy from property taxation while maintaining or improving the levels of service subject to the outcome of budget deliberations. In addition, the proposed fee structure will provide for a recovery of the full costs of providing the Development Planning Department and Committee of Adjustment review services. This report also includes recommendations to ensure full cost recovery is achieved for additional resource requests through the 2018 budget process, should Council approve the requests in whole or in part. This report also identified that the Development Planning Department's Reserve will be maintained and utilized to mitigate financial impacts resulting from the cyclical nature of the land development industry.

In consideration of the above, staff is recommending that the fee structure for Development Planning and CofA applications included in Attachment #1 be approved, and that should Council approve the Development Planning Department's ARRs through the 2018 budget process, that the fees for Development Planning Application included in Attachment #1, be amended, as shown in Attachment #2, to achieve cost recovery.

### **Attachments**

1. Watson & Associates Economists Ltd. - Report on Development Services Fee Structure Review - Phase 2 - Planning Application Fees, July 28, 2017
2. Watson & Associates Economists Ltd. Memorandum - Planning Application Fee Review - Additional Staff Resource Impacts, August 10, 2017
3. BILD Letter - June 8, 2017
4. BILD Response Brief – June 26, 2017
5. Recommended Tariff of Fees Vaughan Planning Applications, Including Impact of Additional Resource Requests
6. Recommended Tariff of Fees for Committee of Adjustment Fees and Charges

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# **City of Vaughan Development Services Fee Structure Review**

## **Phase 2 – Planning Application Fees**

July 28, 2017



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 **Planning for growth**

## Table of Contents

	Page
1. Introduction.....	1-1
1.1 Background.....	1-1
1.2 Study Process.....	1-3
1.3 Legislative Context for Fees Review .....	1-5
2. Activity Based Costing Development Fees .....	2-1
2.1 Methodology .....	2-1
2.2 Application Category Definition.....	2-2
2.3 Processing Effort Cost Allocation.....	2-6
2.4 Direct Costs .....	2-7
2.5 Indirect and Capital Cost Functions and Cost Drivers .....	2-7
3. Planning Application Fees Review .....	3-1
3.1 Staff Capacity Utilization Results .....	3-1
3.2 Planning Application Type Impacts .....	3-3
3.3 Rate Structure Analysis .....	3-9
4. Impact Analysis of Recommended Fee Structure.....	4-1
4.1 Impact Analysis.....	4-1
4.2 Impact Analysis Summary .....	4-5
5. Development Fees Review Study Conclusions .....	5-1
5.1 Conclusions .....	5-1
Appendix A – Municipal Development Fees Impact Analysis .....	1

# 1. Introduction

## 1.1 Background

Municipalities have periodically undertaken to update their development fees in order to address changes in development cycles, application characteristics and cost-recovery levels with the intent of continuing to improve fee structures so that they more accurately reflect processing efforts. The City of Vaughan (City) is experiencing changing development characteristics, including falling construction values of new infrastructure, a shift away from low density greenfield development to more medium and high density developments in Intensification Areas, and recently increased service levels and regulatory requirements under the Provincial Policy Statement (2014) and Growth Plan. These changing characteristics have contributed to an increase in the level of complexity of development applications.

The City retained Watson & Associates Economists Ltd. (Watson) to undertake a review of the full costs of processing development applications and to make fee structure recommendations to provide for reasonable full cost recovery. The scope of the fees review encompasses the full development application review process service channel, including development engineering and infrastructure planning, planning applications, and building permits and inspection services.

Our proposed methodology for this assignment is to develop an activity based costing (ABC) model to quantify the full costs of service. An ABC methodology, as it pertains to municipal governments, assigns an organization's resource costs through activities to the services provided to the public. An ABC approach better identifies the costs associated with the processing activities for specific application types and is an ideal method for assessing the full cost of a development application process to determine user fees. As such the fee structure recommendations are based on a full cost recovery assessment.

The work plan streams the development fees review into three separate phases, with the first phase consisting of a review of the development engineering and infrastructure planning fees (Phase 1), followed subsequently by the review of planning application fees (Phase 2) and building permits and inspection fees (Phase 3). Each phase of the fee review work plan engages the development industry representatives and Vaughan City Council. The final report for each phase includes a description of the legislative context, fee calculation methodology, full cost recovery assessment and fee structure, and a comparative assessment of its relative competitiveness with peer municipalities.

The planning application fees review (Phase 2) builds upon the City's 2008 Planning Application User Fee Review.

This report addresses the findings and recommendations of the Phase 2 review of the City's planning application fees.

## 1.2 Study Process

Set out in Table 1-1 is the project work plan that has been undertaken in the review of the City's planning application fees.

**Table 1-1  
City of Vaughan  
Planning Application Fees Review**

<b>Process Step</b>	<b>Date</b>
<b>1. Project Initiation</b> <ul style="list-style-type: none"> <li>Review project scope, methodology, work plan, legislation and development fee trends.</li> </ul>	April, 2016
<b>2. Application Costing Category Identification</b> <ul style="list-style-type: none"> <li>Identification of application categories to be assessed.</li> <li>Discussion included types of applications and drivers of processing complexity.</li> <li>Process maps developed in consultation with City staff for individual costing categories.</li> </ul>	May, 2016 - June 2016
<b>3. ABC Model Development</b> <ul style="list-style-type: none"> <li>The ABC model developed for the review of Development Engineering and Infrastructure Planning services was expanded upon to include the refined planning application costing categories and updated staff compliment.</li> </ul>	May, 2016 - June, 2016
<b>4. Development of Processing Efforts Estimates and Staff Capacity Utilization.</b> <ul style="list-style-type: none"> <li>One-time processing efforts estimates based on data from the City's 2008 planning application user fees review, were refined for 2016 costing categories and processes. New processing effort estimate's established for new costing categories.</li> <li>Processing effort estimates were examined to quantify and test overall staff capacity utilization (i.e. capacity analysis) for reasonableness.</li> <li>Final review of staff capacity utilization results.</li> </ul>	June, 2016 - October, 2016

<b>5. Calculation of Full Cost Recovery Fees and Financial Impact Analysis</b> <ul style="list-style-type: none"> <li>The City's ABC model was updated to reflect the current cost base (i.e. 2016\$), direct and indirect costs, and full cost fee schedule generation.</li> <li>Modeled costing results were used to generate full cost recovery fee structure options.</li> <li>Fee structure options compared to 2017 application fees to assess potential 2017 budget impacts.</li> <li>Municipal development fee comparison prepared to assess full cost recovery fees for sample development types.</li> </ul>	November, 2016 – February, 2017
<b>6. Preliminary Findings Review with City Staff</b> <ul style="list-style-type: none"> <li>Preliminary review of full cost recovery fee structure options with City staff.</li> <li>Overall financial impact, development fee structure impact analysis, and municipal comparison discussed.</li> </ul>	January, 2017 – February, 2017
<b>7. Draft Report</b> <ul style="list-style-type: none"> <li>Draft report prepared incorporating recommended full cost recovery fee structure option with input on fee design from City staff.</li> <li>Review of draft report findings, including full cost fee structure, budget impacts, and development fee impact analysis.</li> </ul>	April 24, 2017
<b>8. Presentation of Draft Report Findings to Development Industry</b> <ul style="list-style-type: none"> <li>Findings of draft report presented to development industry representatives to seek feedback for consideration in final report</li> </ul>	May 29, 2017
<b>9. Final Report</b> <ul style="list-style-type: none"> <li>Final report presented to the City Finance and Administration Committee</li> </ul>	September, 2017

### 1.3 Legislative Context for Fees Review

The context for the planning application fees review is framed by the statutory authority available to City to recover the costs of service. The statutory authorities that must be considered for this phase of the development services fees review are the *Planning Act*, which governs the imposition of fees for recovery of planning application processing and Part XII (S.391) of the *Municipal Act*, for governing fees and charges more generally. The following summarizes the provisions of these statutes as they pertain to fees and charges.

#### 1.3.1 *Planning Act, 1990*

Section 69 of the *Planning Act*, allows municipalities to impose fees through by-law for the purposes of processing planning applications. In determining the associated fees, the Act requires that:

“The council of a municipality, by by-law, and a planning board, by resolution, may establish a tariff of fees for the processing of applications made in respect of planning matters, which tariff shall be designed to meet only the anticipated cost to the municipality or to a committee of adjustment or land division committee constituted by the council of the municipality or to the planning board in respect of the processing of each type of application provided for in the tariff.”

Section 69 establishes many cost recovery requirements that municipalities must consider when undertaking a full cost recovery fee design study. The Act specifies that municipalities may impose fees through by-law and that the anticipated costs of such fees must be cost justified by application type as defined in the tariff of fees (e.g. Subdivision, Zoning By-law Amendment, etc.). Given the cost justification requirements by application type, this would suggest that cross-subsidization of planning fee revenues across application types is not permissible. For instance, if Site Development application fees were set at levels below full cost recovery for policy purposes this discount could not be funded by Subdivision application fees set at levels higher than full cost recovery. Our interpretation of Section 69 is that any fee discount must be funded from other general revenue sources such as property taxes. In comparison to the cost justification requirements of the Building Code Act, where the justification point is set at the aggregate level of the Act, the requirements of the *Planning Act* are more stringent in this regard.

The legislation further indicates that the fees may be designed to recover the “anticipated cost” of processing each type of application, reflecting the estimated costs

of processing activities for an application type. This reference to anticipated costs represents a further costing requirement for a municipality. It is noted that the statutory requirement is not the actual processing costs related to any one specific application. As such, actual time docketing of staff processing effort against application categories or specific applications does not appear to be a requirement of the Act for compliance purposes. Therefore, our methodology, which is based on staff estimates of application processing effort, meets with the requirements of the Act and is in our opinion a reasonable approach in determining anticipated costs.

The Act does not specifically define the scope of eligible processing activities and there are no explicit restrictions to direct costs as previously witnessed in other statutes. Moreover, recent amendments to the fee provisions of the *Municipal Act* and *Building Code Act* are providing for broader recognition of indirect costs. Acknowledging that staff effort from multiple business units is involved in processing planning applications, it is our opinion that such fees may include direct costs, capital-related costs, support function costs directly related to the service provided, and general corporate overhead costs apportioned to the service provided.

The payment of *Planning Act* fees can be made under protest with appeal to the Ontario Municipal Board (OMB) if the applicant believes the fees were inappropriately charged or are unreasonable. The OMB will hear such an appeal and determine if the appeal should be dismissed or direct the municipality to refund payment in such amount as determined by the Board. These provisions confirm that fees imposed under the *Planning Act* are always susceptible to appeal. Unlike other fees and charges (e.g. Development Charges) there is no legislated appeal period related to the timing of by-law passage, mandatory review period or public process requirements.

### **1.3.3 *Municipal Act, 2001***

Part XII of the *Municipal Act* provides municipalities and local boards with broad powers to impose fees and charges via passage of a by-law. These powers, as presented in s.391 (1), include imposing fees or charges:

- “for services or activities provided or done by or on behalf of it;
- for costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and
- for the use of its property including property under its control.”

This section of the Act also allows municipalities to charge for capital costs related to services that benefit existing persons. The eligible services for inclusion under this

subsection of the Act have been expanded by the *Municipal Statute Law Amendment Act*. Moreover, the amendments to the Act have also embraced the broader recognition for cost inclusion within municipal fees and charges with recognition under s.391(3) that “the costs included in a fee or charge may include costs incurred by the municipality or local board related to administration, enforcement and the establishment, acquisition and replacement of capital assets”.

Fees and charges included in this review, permissible under the authority of the *Municipal Act* would include street name and number changes not specifically provided for under the *Planning Act*.

In contrast to cost justification requirements under other legislation, the *Municipal Act* does not impose explicit requirements for cost justification when establishing fees for municipal services. However, in setting fees and charges for these services, municipalities should have regard for legal precedents and the reasonableness of fees and charges. The statute does not provide for appeal of fees and charges to the OMB, however, fees and charges may be appealed to the courts if municipalities are acting outside of their statutory authority. Furthermore, no public process or mandatory term for fees and charges by-laws is required under the Act. There is, however, a requirement that municipal procedural by-laws provide for transparency with respect to the imposition of fees and charges.

## **2. Activity Based Costing Development Fees**

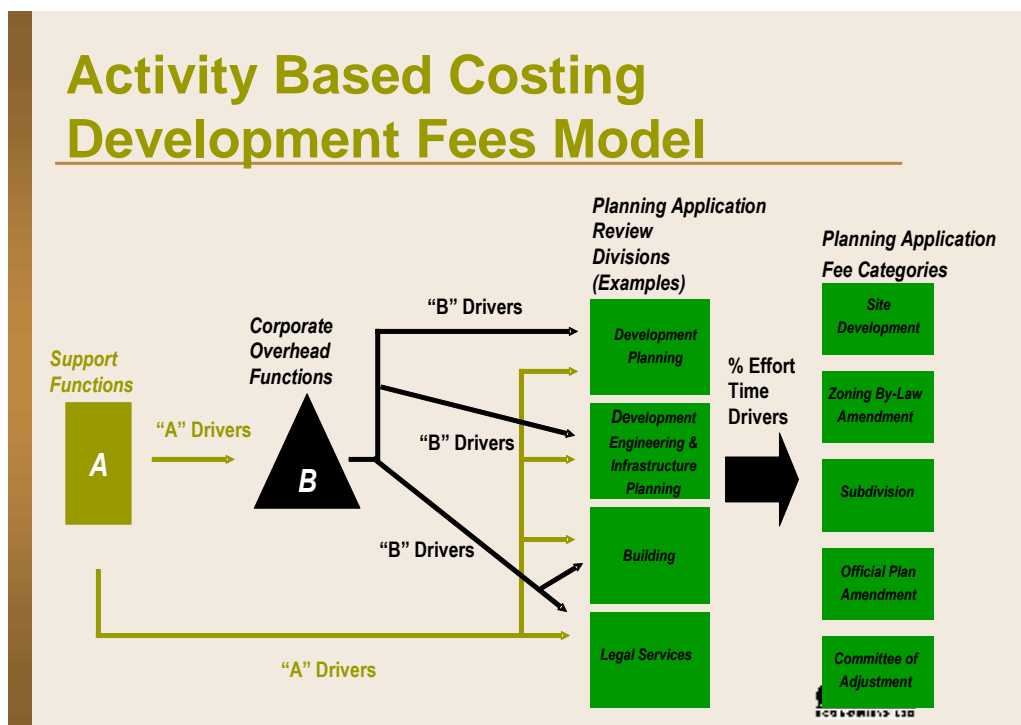
### **2.1 Methodology**

An ABC methodology, as it pertains to municipal governments, assigns an organization's resource costs through activities to the services provided to the public. Conventional municipal accounting structures are typically not well suited to the costing challenges associated with development or other service processing activities, as these accounting structures are business unit focussed and thereby inadequate for fully costing services with involvement from multiple City business units. An ABC approach better identifies the costs associated with the processing activities for specific user fee types and thus is an ideal method for determining full cost recovery planning application fees.

As illustrated in Figure 2-1, an ABC methodology attributes processing effort and associated costs from all participating municipal business units to the appropriate planning application fee service categories. The resource costs attributed to processing activities and application categories include direct operating costs, indirect support costs, and capital costs. Indirect support function and corporate overhead costs are allocated to direct business units according to operational cost drivers (e.g. information technology costs allocated based on the relative share of departmental personal computers supported). Once support costs have been allocated amongst direct business units, the accumulated costs (i.e. indirect, direct and capital costs) are then distributed across the various planning application fee service categories, based on the business unit's direct involvement in the processing activities. The assessment of each business unit's direct involvement in the planning application review processes is accomplished by tracking the relative shares of staff processing efforts across each planning application fee category's sequence of mapped process steps. The results of employing this costing methodology provides municipalities with a better recognition of the costs utilized in delivering planning application review processes, as it acknowledges not only the direct costs of resources deployed but also the operating and capital support costs required by those resources to provide services.

The following sections of this chapter review each component of the ABC methodology as it pertains to the City's planning application fees review.

**Figure 2-1**  
**Activity Based Costing Conceptual Cost Flow Diagram**



## 2.2 Application Category Definition

Departmental business units deliver a variety of planning application fee related services, including those administered under the *Planning Act* and *Municipal Act*. These services are captured in various cost objects or planning application fee categories. A critical component of the full cost planning application fees review is the selection of the costing categories. This is an important first step as the process design, effort estimation and subsequent costing is based on these categorization decisions. It is also important from a compliance stand point where, as noted previously, the *Planning Act* requires fees to be cost justified by application type consistent with the categorization contained within the City's tariff of fees.

The fee categorization process developed during the City's prior fee review was expanded upon to reflect current drivers of processing complexity and to include categories for fees and processes not previously included. Fee categorization discussions as part of this review occurred at the outset of the assignment, during initial sessions with City staff.

Given the cost justification requirements of the *Planning Act* and comments of the OMB with respect to marginal costing, fee categories reflecting differing levels of effort within

application types were established for Zoning By-law Amendment, Site Development and Subdivision applications. These application sub-types were identified for residential, non-residential and mixed-use development occurring in the Vaughan Metropolitan Centre (VMC), Heritage Districts, Intensification Areas, and all other areas of the City (standard process). These areas are defined as follows:

- Vaughan Metropolitan Centre – As defined by the Vaughan Metropolitan Centre Secondary Plan;
- Heritage Districts – Within the boundary of any of the City's Heritage Conservation Districts; and
- Intensification Areas – Development located within an intensification area as defined by Vaughan Official Plan 2010 and/or as defined in the Provincial Policy Statement (2014).

In addition to the fee category distinctions provided above, the following explains the rationale for the planning application categorization decisions utilized in the fee review:

- Planning application costing categories were disaggregated by development type (e.g. residential, non-residential and mixed use) for Zoning By-law Amendment, Site Development and Subdivision applications to reflect differences in processing effort typically experienced. These development types were further disaggregated to reflect increased application processing complexity that is seen depending on the location of the application. The following areas were identified:
  - VMC – applications within the VMC typically require increased involvement from the Design Advisory Group, Strategic Advisory Team, include a requirement for 3D modeling, and involve increased circulation to external agencies such as the TTC and NAV Canada;
  - Heritage Conservation Districts – Applications within a Heritage Conservation District require additional involvement from Cultural Heritage staff and the Heritage Vaughan Committee;
  - Intensification Areas– Applications within an intensification area typically have a higher degree of complexity and have a more substantial public process due to potential impacts on existing residents; and
  - Standard – Development not captured in the above sub-categories was included as a standard application type.
- Condominium application fees were disaggregated to reflect distinctions in level of processing effort related to the application type (i.e. standard or common element); .

- Pre-Application Consultation (PAC) has become increasingly more common in the City of Vaughan as well as other municipalities. As development applications become more complex it is becoming more of a necessity to conduct some level of pre-application consultation to try to ensure application completeness and a more efficient review process for the applicant and municipality.

Tables 2-1 and 2-2 summarize the development fee costing categories that have been included in the City's model and used to rationalize changes to the City's fee schedule.

**Table 2-1**  
**Planning Application Fee Types and Costing Categories**

Planning Application Type	Planning Application Costing Category
Official Plan Amendment (OPA)	Major OPA
	Minor OPA
Block Plan	
Secondary Plan	
Zoning By-law Amendment (ZBA)	ZBA – Residential – Standard
	ZBA – Residential – VMC
	ZBA – Residential – Heritage
	ZBA – Residential – Intensification
	ZBA – Non-Residential – Standard
	ZBA – Non-Residential– VMC
	ZBA – Non-Residential– Heritage
	ZBA – Non-Residential– Intensification
	ZBA – Mixed-Use – Standard
	ZBA – Mixed-Use – VMC
	ZBA – Mixed-Use – Heritage
	ZBA – Mixed-Use – Intensification
	ZBA – Section 37
Remove H Symbol	
Part Lot Control	

**Table 2-1 (Cont'd)**  
**Planning Application Fee Types and Costing Categories**

Site Development	Site Development – Residential – Standard
	Site Development – Residential – VMC
	Site Development – Residential – Heritage
	Site Development – Residential – Intensification
	Site Development – Non-Residential – Standard
	Site Development – Non-Residential– VMC
	Site Development – Non-Residential– Heritage
	Site Development – Non-Residential– Intensification
	Site Development – Mixed-Use – Standard
	Site Development – Mixed-Use – VMC
	Site Development – Mixed-Use – Heritage
	Site Development – Mixed-Use – Intensification
Condominium	Condominium – Standard
	Condominium – Common Element
Subdivision	Subdivision – Residential – Standard
	Subdivision – Residential – VMC
	Subdivision – Residential – Heritage
	Subdivision – Residential – Intensification
	Subdivision – Non-Residential – Standard
	Subdivision – Non-Residential– VMC
	Subdivision – Non-Residential– Heritage
	Subdivision – Non-Residential– Intensification
	Subdivision – Mixed-Use – Standard
	Subdivision – Mixed-Use – VMC
	Subdivision – Mixed-Use – Heritage
	Subdivision – Mixed-Use – Intensification
	Subdivision – Revision
	Subdivision – Phase Registration
Cash in Lieu of Parking	
Landscape Plan Review	
Pre-Application Consultation (PAC)	
Design Review Panel (DRP)	
Street Naming and Numbering	Street Naming
	Street Name Changes
	Street Numbering / Number Changes

**Table 2-2**  
**Committee of Adjustment (COA) Fees**

COA Application Type	COA Application Costing Category
Consent	Application
	Change Conditions
	Recirculation
	Certificate of Official
Minor Variance	Application
	Recirculation
Consent / Minor Variance	OMB Appeal

## 2.3 Processing Effort Cost Allocation

To capture each participating City staff member's relative level of effort in processing planning applications, process templates were prepared for each of the above referenced application costing categories. The planning application process templates were generated initially during the 2008 review. As part of this review of planning application fees, existing and new process templates were refined by Watson, and subsequently finalized by City staff

The individual process maps were populated with results from the 2008 review where applicable, reflecting the level of involvement in processing activities from participating City business units at that time. These effort estimates were refined by City staff with input from the Phase 1 results of this review (Development Engineering and Infrastructure Planning) as well the City's "2016-2019 Budget DAP Model" provided by City Finance for business units outside of the Development Planning Department.

Annual processing effort per staff position was compared with available processing capacity to determine overall service levels. Multiple rounds of review of this capacity analysis was conducted with Development Planning Department staff to further define the scope and nature of planning staff involvement in the planning application review processes. These refinements provided for the recognition of efforts within the planning application fees review processes ancillary to direct processing tasks, i.e. management and application oversight activities by departmental senior management. Processing effort from Policy Planning and Environmental Sustainability staff was included only when directly related to the processing of applications recognizing that a significant portion of their time is spent on broader organizational initiatives and studies.

The capacity utilization results are critical to the full cost recovery fee review because the associated resourcing costs follow the activity generated effort of each participating staff member into the identified planning application fee categories. As such,

considerable time and effort was spent ensuring the reasonableness of the capacity utilization results. The overall departmental fee recovery levels underlying the calculations are provided in Chapter 3 of this report.

## 2.4 Direct Costs

City Departments with direct involvement in processing planning applications are summarized in Table 2-3. Based on the results of the resource capacity analysis summarized above, the proportionate share of each individual's direct cost is allocated to the respective development application fee categories. The direct costs included in the ABC model have been extracted from the City's "2016-2019 Budget DAP Model". These direct costs include service costs included in annual operating budgets, such as salaries, wages and benefits, materials and supplies, etc. Furthermore, through discussions with City staff, it is anticipated that the Development Planning department, will require an additional \$175,000 per year related to the City's development application tracking system. These costs are included within the direct cost allocations summarized above.

**Table 2-3**  
**City Business Units Directly Participating in Planning Application Review Process**

Office of The Deputy City Manager – Planning and Growth Management Portfolio	Development Engineering and Infrastructure Planning
<u>Planning</u>	Building Standards Department
Development Planning	Office of the Chief Information Officer
Urban Design / Cultural Heritage	Public Works
GIS Section	Fire and Rescue Services
Planning Administration	Parks Development
Policy Planning and Environmental Sustainability	Office of the City Solicitor
Office of the City Clerk	Financial Services
Infrastructure Delivery	By-Law and Compliance, Licensing and Permit Services

## 2.5 Indirect and Capital Cost Functions and Cost Drivers

An ABC review includes indirect support costs and capital costs that allow direct service departments to perform development review functions. The methodology employed within the costing model follows the indirect and capital cost allocation methodology that is currently employed by the City.

The method of allocation employed in this analysis is referred to as a step costing approach. This approach separates support functions, general corporate overhead

functions, and capital costs, from direct service delivery departments. These indirect support functions and capital costs are subsequently allocated to direct service delivery departments based on a set of cost drivers germane to the support services provided. Once nested within direct service delivery department budgets, these costs, are subsequently allocated to development review costing categories according to staff resource utilization levels.

Cost drivers are a unit of service that best represent the consumption patterns of indirect and corporate services by direct service delivery business units. As such, the relative share of a cost driver (units of service consumed) for a direct department determines the relative share of support/corporate overhead costs attributed to that department. An example of a cost driver commonly used to allocate information technology support costs would be a business unit's share of supported desktops/laptops. Cost drivers are used for allocation purposes acknowledging that these business units do not typically participate directly in the service delivery activities to constituents, but that their efforts facilitate these services being provided.

This review has employed the indirect and capital cost allocations from the City's "2016-2019 Budget DAP Model". The step costing approach and indirect support cost drivers used in the City's model reflects accepted practices within the municipal sector and are comparable with the Ontario Municipal Benchmarking Initiative (OMBI) for reporting requirements.

## 3. Planning Application Fees Review

### 3.1 Staff Capacity Utilization Results

The planning application review process considered within this assessment involves to varying degrees, staff from multiple business units across the organization. The planning application processing effort estimates in this report reflect the City's current business processes, 2011-2015 average application volumes and characteristics, and staffing allocation patterns currently in place across City business units. However, data was only available for the Zoning By-law Amendment, Site Development, and Subdivision application sub-types (VMC, Heritage Conservation Districts, Intensification Areas, and standard) for the 2015-2016 period. As such, the application distribution for the period 2015-2016 was applied to the longer-term application averages.

Table 3-1 summarizes the staff resource capacity utilization results for staff divisions within planning, as well as the for all other City departments with direct involvement in processing planning applications. The department/division level results presented in Table 3-1 represent the staff resource utilization as a percentage of the entire department/division staff capacity, as well as in full-time equivalent (FTE) staff positions. These figures are used to allocate individual staff position salary wages and benefits to the various planning application fee costing categories, as well as the other departmental direct costs (e.g. materials and supplies) and indirect support and general overhead costs (including capital costs).

**Table 3-1**  
**Planning Application Resource Utilization by Business Unit**

Department	Staff	Planning		COA		Total (Planning & COA)	
		% Utilization	FTE	% Utilization	FTE	% Utilization	FTE
<b>Office of the Deputy City Manager - Planning and Growth Management Portfolio</b>	<b>2</b>	<b>41%</b>	<b>0.8</b>	<b>0%</b>	<b>-</b>	<b>41%</b>	<b>0.8</b>
<b>Development Planning</b>	<b>38</b>	<b>82%</b>	<b>31.3</b>	<b>4%</b>	<b>1.7</b>	<b>87%</b>	<b>33.0</b>
Development Planning	19	84%	16.0	8%	1.5	92%	17.5
Urban Design/Cultural Heritage	10	76%	7.6	0%	-	76%	7.6
GIS Section	3	89%	2.7	4%	0.1	93%	2.8
Planning Administration	6	85%	5.1	0%	-	85%	5.1
<b>Policy Planning and Environmental Sustainability</b>	<b>16</b>	<b>7%</b>	<b>1.1</b>	<b>2%</b>	<b>0.3</b>	<b>9%</b>	<b>1.5</b>
<b>Information Technology</b>	<b>1</b>	<b>100%</b>	<b>1.0</b>	<b>0%</b>	<b>-</b>	<b>100%</b>	<b>1.0</b>
<b>Building Standards</b>	<b>67</b>	<b>6%</b>	<b>4.0</b>	<b>1%</b>	<b>0.5</b>	<b>7%</b>	<b>4.5</b>
<b>DEIP</b>	<b>47</b>	<b>15%</b>	<b>7.2</b>	<b>5%</b>	<b>2.2</b>	<b>20%</b>	<b>9.3</b>
<b>Public Works</b>	<b>3</b>	<b>3%</b>	<b>0.1</b>	<b>0%</b>	<b>-</b>	<b>3%</b>	<b>0.1</b>
<b>Fire and Rescue Service</b>	<b>4</b>	<b>1%</b>	<b>0.0</b>	<b>2%</b>	<b>0.1</b>	<b>3%</b>	<b>0.1</b>
<b>Parks Development</b>	<b>15</b>	<b>2%</b>	<b>0.3</b>	<b>0%</b>	<b>-</b>	<b>2%</b>	<b>0.3</b>
<b>Legal Services</b>	<b>16</b>	<b>7%</b>	<b>1.2</b>	<b>2%</b>	<b>0.3</b>	<b>9%</b>	<b>1.5</b>
<b>Office of the City Clerk</b>	<b>15</b>	<b>0%</b>	<b>0.0</b>	<b>29%</b>	<b>4.4</b>	<b>29%</b>	<b>4.4</b>
<b>Financial Services</b>	<b>6</b>	<b>9%</b>	<b>0.6</b>	<b>0%</b>	<b>-</b>	<b>9%</b>	<b>0.6</b>
<b>By-Law</b>	<b>44</b>	<b>1%</b>	<b>0.4</b>	<b>0%</b>	<b>-</b>	<b>1%</b>	<b>0.4</b>

The following observations are provided based on the results of the capacity analysis presented in Table 3-1:

- In total, 64% of all available Development Planning and Policy Planning and Environmental Sustainability staff resources, or 34 FTEs are utilized annually in processing planning and COA applications (60% planning and 4% COA). This level of planning recovery is comparable with levels of participation in other GTA municipalities, reflecting a significant amount of non-planning application processing effort provided by planning departments for corporate management, policy initiatives, Ontario Municipal Board appeals and public information tasks.
  - The majority of processing activities are undertaken by the Development Planning department (Development Planning, Urban Design/Cultural Heritage, GIS, and Planning Administration sections). The combined capacity utilization of these sections across Development Planning and COA applications is 87% (33 FTEs).
  - The Policy Planning and Environmental Sustainability division is utilized at only 9% (1.5 FTEs) across all Development Planning and COA application processes as the majority of their time is spent on broader organizational initiatives and studies. Based on this level of allocation, the majority of

planning policy annual operating costs are being attributed to the general community for tax based recovery.

- Outside of Development Planning there is one position from Information Technology that is fully utilized on processing planning applications. This position is responsible for maintaining the City's planning application tracking system and has therefore, their time has been fully allocated to planning applications.
- 29% of the Office of the City Clerk, approximately 4 FTEs, are utilized processing COA applications. The Office of the City Clerk also contributes less than 1% of their available resources to processing planning applications.
- Development Engineering and Infrastructure Planning (DEIP) represents the second largest allocation of staff resources to planning and COA applications, at approximately 9 FTEs annually. This represents an overall utilization of the 47 staff positions within DEIP of approximately 20%.
- There is significant involvement from staff within the Building Standards department to processing planning and COA applications, contributing approximately 7% of staff resources annually (4.5 FTEs).
- There are a number of City business units, such as the Office of the Deputy City Manager – Planning and Growth Management Portfolio, Parks Development, Office of the City Solicitor, Financial Services, and By-law Compliance, that also contribute of effort to planning applications. These business units provide a small number of staff positions with specific planning application review requirements.

### 3.2 Planning Application Type Impacts

As presented in the introduction, the *Planning Act* requires fees to be cost justified at the application type level. Moreover, recent OMB decisions require that there is consideration given to the marginal costs of processing applications of varying size and complexity. In this regard, planning applications review processes have been costed at the application type and sub-type level. This level of analysis goes beyond the statutory requirements of cost justification by application type to better understand costing distinctions at the application sub-type level to provide the basis for more a more defensible fee structure and fee design decisions.

Application costs were calculated in 2016\$ based on the organizational direct, indirect and capital costs from the City's "2016-2019 Budget DAP Model", and have been indexed to 2017\$ using the City's budgeted cost of living increase (3%). Tables 3-2 and 3-3 summarize the per application processing costs, compared with per application

revenues derived from the City's 2017 fee structure and the historical average application characteristics. As presented, the cost recovery performance of planning application fees and Committee of Adjustment fee vary significantly by application type. As such recommended adjustments to fees have been made, incorporating increases and decreases to 2017 fees to improve cost recovery by application type and sub type. Moreover, in certain situations changes to the fee structure have been recommended to better align the recovery of processing costs with historical application characteristics (e.g. size).

Application type and sub-type cost recovery and implications for fee design are explained further below:

#### Zoning By-law Amendment

- Zoning By-law Amendment applications within Heritage Conservation Districts and mixed-use applications in the VMC and Intensification Areas are under recovering the anticipated costs of processing. All other Zoning By-law Amendment applications are over recovering the anticipated processing costs.
  - Examining the average size of residential applications and the marginal costs of processing indicate that increases to base fees should be considered and that the residential variable per unit fee structure could be changed to a decreasing block rate to better align the recovery of costs with processing effort.

#### Site Development

- Residential and Mixed-use Site Development applications are generally over recovering the anticipated costs of processing. Non-residential Site Development applications are under recovering the anticipated costs of processing in the VMC, Intensification Areas, and Heritage Conservation Districts.
  - Examining the average size of residential applications and the marginal costs of processing indicate that increases to base fees should be considered and that the variable per unit fee structure could be changed to a decreasing block rate to better reflect the marginal costs of processing as application size increases.
  - Base fees for non-residential and mixed-use applications have been increased in line with residential base fees for ease of administration.
  - Increased base fees and the average size of non-residential applications indicates that non-residential decreasing block fees should be increased.

- It is recommended that the residential portion (per unit fee) of the mixed-use fee be changed to a decreasing block in line with the recommended residential fee structure.

### Subdivision

- Subdivision applications are under recovering the anticipated costs of processing for all application types and sub-types.
  - Increases to base fees should be considered for all subdivision application types to reflect the cost of processing and provide increased revenue stability.
  - Adjusting the residential fee structure to a decreasing block rate, similar to that recommended for Zoning By-law Amendment and Site Development applications should be considered to align cost recovery with the marginal costs of processing applications.
  - Increased base fees and the size of non-residential and mixed-use applications indicates that increases to the per hectare fees for these application types should be considered.

With the exception of Removal of Holding Symbol applications and Interim Control By-law Amendment applications, which are slightly over recovering the anticipated costs or processing, all other planning application fees are under recovering anticipated processing costs. Similarly, for Committee of Adjustment fees, all application fees are generally under recovering the anticipated costs of process applications, with the exception of fees for a Change of Conditions, which are over recovering anticipated processing costs per application.

**Table 3-2**  
**Planning Fees Modelling Impacts by Application Sub-Type (2017\$)**

Application/Surcharge Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<b><u>Planning Applications</u></b>				
<b><u>Official Plan Amendment</u></b>				
Major	41,393	32,806	(8,587)	79%
Minor	26,941	15,960	(10,981)	59%
<b><u>ZBA - Residential</u></b>				
Average	36,853	38,330	1,476	104%
Standard	31,740	31,911	171	101%
VMC	47,715	80,079	32,365	168%
Heritage	34,176	29,359	(4,817)	86%
Intensification	47,868	53,271	5,404	111%
<b><u>ZBA - Non-Residential</u></b>				
Average	35,120	44,056	8,936	125%
Standard	30,953	61,746	30,794	199%
VMC	43,738	72,386	28,649	166%
Heritage	32,513	10,774	(21,739)	33%
Intensification	43,903	50,552	6,649	115%
<b><u>ZBA - Mixed-Use</u></b>	-	-		
Average	51,283	30,837	(20,446)	60%
Standard	30,951	46,422	15,471	150%
VMC	64,960	39,645	(25,315)	61%
Heritage	47,270	16,584	(30,686)	35%
Intensification	64,366	19,335	(45,031)	30%
<b><u>ZBA -Section 37</u></b>	28,410	-	(28,410)	0%
Remove H Symbol	4,357	4,609	252	106%
Part Lot Control	3,382	2,101	(1,281)	62%
Interim Control By-law Amendment	4,126	5,196	1,070	126%
<b><u>Site Development - Residential</u></b>				
Average	49,272	77,915	28,643	158%
Standard	31,482	66,325	34,844	211%
VMC	90,039	201,324	111,284	224%
Heritage	53,808	55,220	1,413	103%
Intensification	66,603	65,111	(1,492)	98%
<b><u>Site Development - Non-Residential</u></b>				
Average	45,799	35,969	(9,830)	79%
Standard	30,318	34,449	4,132	114%
VMC	85,721	53,803	(31,918)	63%
Heritage	59,071	10,499	(48,572)	18%
Intensification	73,399	43,250	(30,149)	59%
<b><u>Site Development - Mixed Use</u></b>				
Average	58,887	87,304	28,417	148%
Standard	30,318	214,032	183,715	706%
VMC	85,721	177,417	91,695	207%
Heritage	59,071	110,952	51,881	188%
Intensification	73,399	93,268	19,869	127%

**Table 3-2 (Cont'd)**  
**Planning Fees Modelling Impacts by Application Sub-Type (2017\$)**

Application/Surcharge Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<u>Condominium</u>				
Standard	22,944	13,745	(9,198)	60%
Common Element	22,849	13,745	(9,104)	60%
<u>Subdivision - Residential</u>				
Average	86,681	36,438	(50,243)	42%
Standard	83,776	41,452	(42,324)	49%
VMC	115,158	56,485	(58,673)	49%
Heritage	89,438	22,945	(66,493)	26%
Infill	96,784	25,125	(71,659)	26%
<u>Subdivision - Non-Residential</u>				
Average	78,239	29,495	(48,744)	38%
Standard	67,214	29,451	(37,763)	44%
VMC	93,534	31,995	(61,539)	34%
Heritage	75,005	29,761	(45,244)	40%
Intensification	77,204	26,773	(50,431)	35%
<u>Subdivision - Mixed Use</u>				
Average	78,234	42,366	(35,869)	54%
Standard	67,214	35,987	(31,226)	54%
VMC	93,534	46,349	(47,186)	50%
Heritage	74,985	40,959	(34,026)	55%
Intensification	77,204	46,168	(31,037)	60%
<u>Subdivision</u>				
Revision	6,848	4,300	(2,548)	63%
Phase Registration	23,097	2,163	(20,934)	9%
Cash in Lieu of Parking	2,616	-	(2,616)	0%
Landscape Plan Review	11,471	7,004	(4,467)	61%
Pre-Application Consultation (PAC)	2,496	1,287	(1,209)	52%
Design Review Panel (DRP)	4,641	-	(4,641)	0%
Street Naming	1,548	618	(930)	40%
Street Name Changes	1,548	206	(1,342)	13%
Street Numbering/Number Changes	789	515	(274)	65%

**Table 3-3**  
**Committee of Adjustment Fees Modelling Impacts by Application Sub-Type**  
**(2017\$)**

Application Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<b><u>Committee of Adjustment Applications</u></b>				
<b><u>Consent</u></b>				
Application	3,443	1,951	(1,493)	57%
Change Conditions	251	966	715	384%
Recirculation	2,476	1,099	(1,377)	44%
Certificate of Official	247	211	(36)	85%
<b><u>Consent/Minor Variance</u></b>				
OMB Appeal	770	722	(48)	94%
<b><u>Minor Variance</u></b>				
Application	2,943	1,824	(1,119)	62%
Recirculation	1,970	932	(1,038)	47%

Table 3-4 summarizes the per application cost recovery percentage by application/surcharge type. The overall recovery levels are based on weighted average annual historical application volumes over the 2011-2015 period. As presented, current planning and COA fees are recovering approximately 82% and 61% of processing costs annually, respectively.

**Table 3-4**  
**Planning and Committee of Adjustment Application Fees Modelling Impacts by Application/Surcharge Type**

Application/Surcharge Type	% Recovery
<b><u>Applications</u></b>	
Official Plan Amendment	65%
Zoning By-Law Amendment	77%
Part Lot Control	62%
Interim Control By-law Amendment	126%
Site Development	112%
Condominium	60%
Subdivision	40%
Pre-Application Consultation	52%
Street Naming/Numbering	57%
<b><u>Surcharges</u></b>	
Landscape Plan Review	61%
<b>Total Planning Applications</b>	<b>82%</b>
Committee of Adjustment	61%

### 3.3 Rate Structure Analysis

Fee structure recommendations were developed in regard to these cost revenue impacts presented above. The recommended fee structure seeks to align the recovery of processing costs to application characteristics to balance *Planning Act* compliance, applicant benefits and municipal revenue certainty. The following recommendations, which are summarized in Tables 3-5 (planning applications) and 3-6 (COA applications), and are presented in 2017\$.

The structure recommendations are anticipated to increase overall planning application cost recovery performance to full cost recovery levels. Based on anticipated application volumes and application characteristics for 2017, the City is budgeting for planning application fee revenues of \$5.6 million and \$0.8 for COA applications. The full cost recovery fee recommendations, when applied to the 2017 budgeted application volumes and characteristics, could be expected to produce a \$1.9 million increase in 2017 budgeted revenue for planning applications and \$0.5 million increase in revenue for COA applications. Through discussions with the development industry, City staff is recommending that the fee for registration of additional phases of a plan of subdivision be imposed below full cost recovery levels. The reduction in revenue from this policy recommendation based on anticipated 2017 volumes would be approximately \$80,000.

#### **Official Plan Amendment (OPA)**

The City currently charges fees for Major and Minor OPAs as well as surcharges upon application approval. Major OPA and surcharge fees are \$26,198 and \$6,607 respectively. Minor OPA and surcharge fees are \$12,272 and \$3,687 respectively. Based on the results of the activity based costing model, this Major OPA process would require approximately \$41,400 and the Minor OPA process would cost \$26,900.

#### **Full Cost Recovery Recommendation**

- Major OPA - \$33,056
- Major OPA Surcharge - \$8,337
- Minor OPA - \$20,716
- Minor OPA Surcharge - \$6,225

#### **Zoning By-Law Amendment (ZBA)**

Fee recommendations have been designed to recover the average processing costs for residential, non-residential and mixed-use application types. While the recommendations are based on the average processing costs, consideration was given

to the marginal anticipated processing costs of the application sub-types (VMC, intensification, heritage, standard). Historical per application charging parameters (size) for each application category, for the period 2011-2015, are as follows:

- ZBA – Residential – 73 Units
- ZBA – Non-Residential – 4.56 hectares
- ZBA – Mixed-Use – 2.8 hectares

On average, residential and non-residential applications are over recovering the costs of processing, while mixed-use applications are under recovering the anticipated processing costs. As applications increase in size, cost recovery levels improve. As a result, the proposed fee structure includes higher application base charges and recommends a decreasing block fee structure for residential per unit fees. The decreasing block fee is designed to align cost recovery with the marginal costs of processing. Base fees for non-residential and mixed-use applications have been increased in line with residential base fees for ease of administration. Increased base fees and the average size of non-residential and mixed use applications indicates that variable per hectare fees should be decreased.

Surcharges for applications occurring in the VMC and Intensification Areas should also be considered to reflect the increase in processing effort independent of application size. Surcharges for applications occurring within Heritage Conservation Districts have not been considered so as not to discourage the retention of heritage resources within the City's Heritage Conservation Districts.

#### Full Cost Recovery Recommendations

- Increase the base fee to \$8,096.
- Impose declining block rate structure for all residential applications as follows:
  - \$553 /unit for first 25 units,
  - \$206/unit for units 26-100 units,
  - \$52/unit for units 101-200 units,
  - \$26/unit for additional units beyond 200.
- Decrease fee per hectare for non-residential to \$4,815
- Decrease fee per hectare for mixed-use to \$7,238
- Impose surcharges for residential and non-residential applications within the VMC and Intensification Areas of \$14,806
- Impose surcharges for mixed-use applications within the VMC and Intensification Areas of \$40,556 and \$50,856 respectively
- Decrease the Removal of the Holding Symbol "(H)" fees to \$4,357

**Site Development**

Historical per application charging parameters for each application category, for the period 2011-2015, are as follows:

- Residential Site Development – 84 units
- Non-Residential Site Development
  - Industrial/Office/Private Institutional – 3,186 sq.m.
  - Commercial – 2,791 sq.m.
- Mixed-Use Site Development
  - 154 units
  - Industrial/Office/Private Institutional – 2,265 sq.m.
  - Commercial – 1,990 sq.m.

Average revenues for residential and mixed-use applications are currently greater than average processing costs, while non-residential applications are generally under recovering average processing costs.

The proposed fee structure includes increased base charges and the imposition of a declining block fee structure for residential per unit fees. Although the proposed fee structure has been designed to recover processing costs by Site Development application type (residential, non-residential, mixed-use), the fee structure was also measured against the costs of processing application sub-types (VMC, heritage, intensification, standard). Large scale residential applications in the VMC and other areas are recovering significantly higher revenues than average costs. As such, a declining block fee structure will help to improve the relationship between cost recovery and processing effort.

The proposed fee structure for mixed-use applications also includes the imposition of a declining block fee structure for the residential component of development. Per unit fees are lower than currently imposed, reflective of the large size of mixed-use Site Development applications

Site Development application fees for developments occurring in the VMC and Intensification Areas should also include surcharges. As with Zoning By-law Amendment applications, Site Development applications in these areas are more complex to process. Surcharges to recover the increased complexity of processing applications in Heritage Conservation Districts have not been considered so as not to discourage the retention of heritage resources within the City's Heritage Conservation Districts.

Full Cost Recovery Recommendations

- Increase base fees to \$9,332
- Impose declining block rate structure for residential applications as follows:
  - \$683/unit for first 25 units,
  - \$342/unit for units 26-100 units,
  - \$239/unit for units 101-200
  - \$120/unit for additional units beyond 200
- Increase declining block rate structure for non-residential applications as follows:
  - Industrial/Office/Private Institutional (0 – 4,500 sq.m.) – \$2.41/sq.m.
  - Industrial/Office/Private Institutional (greater than 4,500 sq.m.) – \$1.25/sq.m.
  - Commercial (0 – 4,500 sq.m.) – \$7.89/sq.m.
  - Commercial (greater than 4,500 sq.m.) – \$2.44/sq.m.
- Implement an declining block rate structure for the residential component of mixed use applications and increase the non-residential declining block fee as follows:
  - \$208/unit for first 25 units,
  - \$66/unit for units 26-100 units,
  - \$26/unit for units 101-200
  - \$0/unit for additional units beyond 200
  - Industrial/Office/Private Institutional (0 – 4,500 sq.m.) – \$2.36/sq.m.
  - Industrial/Office/Private Institutional (greater than 4,500 sq.m.) – \$1.23/sq.m.
  - Commercial (0 – 4,500 sq.m.) – \$7.74/sq.m.
  - Commercial (greater than 4,500 sq.m.) – \$2.39/sq.m.
- Impose surcharges for residential applications within the VMC and Intensification Areas of \$4,506 and \$30,256 respectively
- Impose surcharges for non-residential applications within the VMC and Intensification Areas of \$30,256
- Impose surcharges for mixed-use applications within the VMC and Intensification Areas of \$50,856

**Draft Plan of Condominium**

The process of reviewing Draft Plan of Condominium applications and Common Element Condominium applications have been costed to assess the difference in processing complexity. The full costs of processing these Condominium application types were \$22,944 and \$22,849 respectively. To decrease the administrative complexity of imposing the fees, the weighted average costs of processing these fees have been recommended for both Condominium application types. Moreover, the City plans on imposing fees for Vacant Land, Leasehold, and Amalgamated Condominium applications as well as fees for revisions to Condominium applications. These fee sub-types were not included in the review, however, based on the costs to process similar application sub types in other municipalities, the following recommendations have been made.

**Full Cost Recovery Recommendations**

- Increase per application fee for Draft Plan of Condominium of \$22,903
- Impose per application fee for Common Element, Vacant Land, Leasehold, and Amalgamated Condominium applications of \$22,903
- Impose Condominium Revision fee of \$6,848

**Draft Plan of Subdivision**

Draft Plan of Subdivision applications are on average recovering 42% of the anticipated costs of processing. As such, base and variable fee increases are proposed for all application types. Furthermore, as with residential Zoning By-law Amendment and Site Development applications, it is recommended that the variable per unit fee structure for residential applications is modified from its current format to a declining block structure.

The proposed fee structure for Subdivision applications also includes surcharges for applications occurring in the VMC and Intensification Areas, reflecting the relative complexity of processing these types of applications. Review of applications within Heritage Conservation Districts also involves increased complexity, however, surcharges for these applications have not been considered, consistent with the policy of not imposing additional heritage fees for Zoning By-law Amendment and Site Development applications.

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### Full Cost Recovery Recommendations

- Increase base fee to \$42,478
- Impose declining block per unit fee for residential applications as follows:
  - \$850/unit for first 25 units,
  - \$443/unit for units 26-100 units,
  - \$133/unit for units 101-200
  - \$40/unit for additional units beyond 200
- Increase non-residential per hectare fee to \$8,608
- Increase mixed-use per hectare fee to \$4,623
- Impose surcharges for residential applications within the VMC and Intensification Areas of \$10,300 and \$30,900 respectively
- Impose surcharges for non-residential applications within the VMC and Intensification Areas of \$20,600
- Impose surcharges for mixed-use applications within the VMC and Intensification Areas of \$20,600 and 10,300 respectively.
- Increase fees for Revisions to Draft Approved Plan of Subdivision (requiring circulation) to \$6,848
- Full cost fees for Registration of Each Additional Phase of a Subdivision Plan have been calculated at \$23,097. It has been recommended that this fee be imposed below full cost recovery levels at \$3,126. This fee has been recommended to be consistent with comparator municipalities.

### **Part Lot Control, Landscape Plan Review, Pre-Application Consultation (PAC), Street Naming, Street Name Changes and Street Numbering/Number Changes**

The fees imposed for these planning applications are flat fees (i.e. charge per application).

Full cost fee recommendations provide for adjustments to the average application fees for flat fee applications. The anticipated costs per application for PAC is \$2,496, however, the per application fee is proposed to remain unchanged. As the PAC process informs the Zoning By-law Amendment, Site Development and Subdivision application review process, costs not recovered through the PAC fee have been considered when designing the fee recommendations.

### Full Cost Recovery Recommendations

- Increase Part Lot Control fee to \$3,382
- Increase the fee for Landscape Plan Review to \$11,471
- Maintain PAC fee at \$1,287

- Increase Street Name Changes fee to \$1,548
- Increase Street Naming fee to \$1,548
- Increase Street Numbering/Number Changes fee to \$789

**New Fees –Section 37 Agreements, Cash-in-Lieu of Parking, Design Review Panel (DRP)**

Application/Surcharge review processes were included to consider the imposition of new fees related to Section 37 Agreements, Cash in Lieu of Parking and Design Review Panel applications and processes.

Specific fee recommendations have not been made for the DRP process. It is anticipated that this process would occur primarily where Zoning By-law Amendment or Site Development applications are received for development in the VMC or Intensification Areas.

**Full Cost Recovery Recommendations**

- Section 37 Agreements – Impose surcharge fee of \$28,410
- Impose Cash-In-lieu of Parking surcharge fee of \$4,000.

**Committee of Adjustment Fees**

Committee of Adjustment full cost fee recommendations have been made below. With the exception of Change of Conditions Consent applications, all fees are recommended to increase, based on the cost recovery performance results shown in Table 3-3.

**Full Cost Recovery Recommendations**

- Consent Applications
  - Increase application fee to \$3,443
  - Decrease Change Condition fee to \$251
  - Increase Recirculation fee to \$2,476
  - Increase Certificate of Official fee to \$247
  - Increase OMB appeal fee to \$770
- Minor Variance
  - Increase Residential/Agricultural/Institutional application fee to \$2,721
  - Increase Industrial/Commercial application fee to \$3,166
  - Increase Residential/Agricultural/Institutional recirculation fee to \$1,313
  - Increase Industrial/Commercial recirculation fee to \$1,256
  - Increase OMB appeal fee to \$770

**Table 3-5**  
**Comparison of Planning Application Fees Under the City's Current By-Law and Recommended Fees (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES (2017\$)
<b>SCHEDULE B DOCUMENTS &amp; INFORMATION</b>			
Major OP Amendment	Application	26,198	33,056
Major OP Surcharge (if application approved)	Application	6,607	8,337
Minor OP Amendment	Application	12,272	20,716
Minor OP Surcharge (if application approved)	Application	3,687	6,225
Revision to OP Application requiring recirculation	Application	4,300	4,300
<b>Zoning By-Law Amendment</b>			
<b>Residential</b>			
Base Fee	Application	6,819	8,096
Singles, Semis, Townhouses	Unit	561	
Multiple Unit Blocks	Unit	185	
Variable Per Unit Fee			
0-25 Unit	Unit		553
26-100 Unit	Unit		206
101-200 Unit	Unit		52
Greater than 200 Unit	Unit		26
VMC Surcharge	Application		14,806
Intensification Area Surcharge	Application		14,806
<b>Non-Residential</b>			
Base Fee	Application	6,819	8,096
Non-Residential Blocks	hectares	7,426	4,815
VMC Surcharge	Application		14,806
Intensification Area Surcharge	Application		14,806
<b>Mixed Use</b>			
Base Fee	Application	6,819	8,096
Mixed Use Blocks	hectares	7,426	7,238
VMC Surcharge	Application		40,556
Intensification Area Surcharge	Application		50,856
Private Open Spaces	hectares	3,713	3,713
Surcharge if Zoning Application is Approved	Application	3,409	3,409
Revision to Zoning Application Requiring Recirculation	Application	4,300	4,300
By-law to remove Holding Symbol (H)	Application	4,609	4,357
Interim Control By-Law Amendment	Application	5,196	4,126
Part Lot Control By-Law	Application	2,101	3,382

**Table 3-5 (Cont'd)**  
**Comparison of Planning Application Fees Under the City's Current By-Law and Recommended Fees (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES (2017\$)
<b>Site Development Application</b>			
<b>Residential</b>			
Base Fee	Application	8,055	9,332
Residential: Singles, Semis, Townhouses	Unit	1,128	
Residential: Singles, Semis, Townhouses if previously paid in Subdivision application	Unit	752	
Residential: Multiple Unit	Unit	376	
Residential: Multiple Unit if previously paid in Subdivision application	Unit	247	
<u>Variable Per Unit Fee</u>			
0-25 Unit	Unit		683
26-100 Unit	Unit		342
101-200 Unit	Unit		239
Greater than 200 Unit	Unit		120
<u>Variable Per Unit Fee (Already Paid Subdivision Fee)</u>			
0-25 Unit	Unit		456
26-75 Unit	Unit		228
101-200 Unit	Unit		159
Greater than 200 Unit	Unit		80
VMC Surcharge	Application		4,506
Intensification Area Surcharge	Application		30,256
<b>Non-Residential</b>			
Base Fee	Application	8,055	9,332
Industrial/Office/Private Institutional	Sq. M.	2.30	2.41
Industrial/Office/Private Institutional: Portion of GFA over 4,500 sq.m.	Sq. M.	0.90	1.25
Commercial (Service, Retail Warehouse)	Sq. M.	7.40	7.89
Commercial (Service, Retail Warehouse): Portion of GFA over 4,500 Sq.M	Sq. M.	1.80	2.44
VMC Surcharge	Application		30,256
Intensification Area Surcharge	Application		30,256

**Table 3-5 (Cont'd)**  
**Comparison of Planning Application Fees Under the City's Current By-Law and Recommended Fees (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES (2017\$)
<b>Mixed Use</b>			
Base Fee	Application	8,055	9,332
Residential: Singles, Semis, Townhouses	Unit	1,128	
Residential: Singles, Semis, Townhouses if previously paid in Subdivision application	Unit	752	
Residential: Multiple Unit	Unit	376	
Residential: Multiple Unit if previously paid in Subdivision application	Unit	247	
<u>Variable Per Unit Fee</u>			
0-25 Unit	Unit		208
26-75 Unit	Unit		66
101-200 Unit	Unit		26
Greater than 200 Unit	Unit		-
<u>Variable Per Unit Fee (Already Paid Subdivision Fee)</u>			
0-25 Unit	Unit		138
26-100 Unit	Unit		44
101-200 Unit	Unit		17
Greater than 200 Unit	Unit		-
Industrial/Office/Private Institutional	Sq. M.	2.30	2.36
Industrial/Office/Private Institutional: Portion of GFA over 4,500 sq.m.	Sq. M.	0.90	1.23
Commercial (Service, Retail Warehouse)	Sq. M.	7.40	7.74
Commercial (Service, Retail Warehouse): Portion of GFA over 4,500 Sq.M	Sq. M.	1.80	2.39
VMC Surcharge	Application		50,856
Intensification Area Surcharge	Application		50,856
Revision to Site Development Application requiring Recirculation	Application	4,300	4,300
Simple Revision to Site Development application not requiring recirculation or Council Approval	Application	4,022	4,022
Draft Plan of Condominium	Application	13,745	22,903
Condominium Common Element	Application	13,745	22,903

**Table 3-5 (Cont'd)**  
**Comparison of Planning Application Fees Under the City's Current By-Law and Recommended Fees (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES (2017\$)
<b>Draft Plan of Subdivision</b>			
<b>Residential</b>			
Base Fee	Application	17,129	42,478
Singles, Semis, Townhouse Unit in Subdivision	Unit	288	
Multiple Unit Blocks in Subdivision	Unit	108	
Part Lots for Residential use in Subdivision	Part Lot	144	144
<u>Variable Per Unit Fee</u>			
0-25 Unit	Unit		850
26-100 Unit	Unit		443
101-200 Unit	Unit		133
Greater than 200 Unit	Unit		40
VMC Surcharge	Application		10,300
Intensification Area Surcharge	Application		30,900
<b>Non-Residential</b>			
Base Fee	Application	17,129	42,478
Non Residential Blocks in Subdivision	hectares	3,981	8,608
VMC Surcharge	Application		20,600
Intensification Area Surcharge	Application		20,600
<b>Mixed Use</b>			
Base Fee	Application	17,129	42,478
Mixed use Blocks in Subdivision	hectares	3,981	4,623
VMC Surcharge	Application		20,600
Intensification Area Surcharge	Application		10,300
Revision to Draft Approved Plan of Subdivision requiring Circulation	Application	4,300	6,848
Revision to Conditions of Draft Plan of Subdivision Approval	Application	4,300	4,300
Extension of Draft Plan of Subdivision	Application	2,148	2,148
Registration of Each Additional Phase of a Subdivision Plan	Application	2,163	3,126
OMB Appeals Administration Fee	Application	742	742
Maintenance Fee for Inactive Files	Application	489	489
Pre-Application Consultation	Application	1,287	1,287
Landscape Inspection	Surcharge	7,004	11,471
Heritage Review	Application	1,545	1,545

**Table 3-5 (Cont'd)**  
**Comparison of Planning Application Fees Under the City's Current By-Law and Recommended Fees (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES (2017\$)
<b>SCHEDULE G DOCUMENTS &amp; INFORMATION</b>			
Base Map - Property Map (small)	Unit	6	6
Various Maps	Unit	12	12
Various Maps	Unit	19	19
Large Property Map, Proposed Subdivisions, Vaughan Street map	Unit	20	20
OP, Secondary Plan Maps	Unit	33	33
Topographic Maps	Unit	34	34
Employment Area	Unit	44	44
Address Change Application	Application	515	789
City of Vaughan Official Plan	Application	65	65
Zoning By-Law 1-88 - Part 1 (Text only)	Application	25	25
Zoning By-Law 1-88 - Part 2 (schedules)	Application	59	59
By-Law 1-88 Part 1 (Key Maps only)	Application	39	39
By-Law 1-88 CD version (includes parts 1&2)	Application	121	121
Heritage Permit	Application	515	515
Street Name Change	Application	258	1,548
Heritage Status Letter	Application	78	78
Custom Report	Application	644	644
Addresses Lot Through Consents	Application	515	515
New Addresses Subdivisions/Site Plans	Unit/Lot	39	39
New Road Names- Proposed Road Names	Application	773	1,548
New Road Names- Names from pre-approved list	Application	258	258
<b>FEES IN SCHEDULE A BY-LAW 396-2002</b>			
Landscape Inspection Fee (85% of \$475)		404	404
<b>OTHER FEES</b>			
Zoning By-Law Amendment Section 37	Surcharge	-	28,410
Cash in Lieu of Parking	Surcharge	-	4,000
<b>NEW FEES</b>			
Condominium (Vacant Land)	Application		22,903
Condominium (Phased, Leasehold, Amalgamated)	Application		22,903
Condominium Revision	Application		6,848

**Table 3-6**  
**Comparison of Committee of Adjustment Application Fees Under the City's**  
**Current By-Law and Recommended Fees (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES (2017\$)
<u>Consent</u>			
Application	Application	\$1,951	\$3,443
Change Conditions	Application	\$966	\$251
Recirculation	Application	\$1,099	\$2,476
Certificate of Official	Application	\$211	\$247
<u>Consent/Minor Variance</u>			
OMB Appeal	Application	\$722	\$770
<u>Minor Variance</u>			
<u>Application</u>			
Residential/Agricultural/Institutional	Application	\$1,686	\$2,721
Industrial/Commercial	Application	\$1,962	\$3,166
<u>Recirculation</u>			
Residential/Agricultural/Institutional	Application	\$621	\$1,313
Industrial/Commercial	Application	\$1,243	\$1,256

## 4. Impact Analysis of Recommended Fee Structure

In order to understand the impacts of the full cost recovery planning application structure recommendations, an impact analysis for sample developments has been prepared.

### 4.1 Impact Analysis

Eight development types have been considered, including:

- Site Plan and Zoning By-law Amendment applications for a retail building of 1,000 square metres;
- Site Plan, OPA, Zoning By-law Amendment, and Condominium applications for a multi-residential building of 200 residential units;
- Site Plan applications for a single-family home in a Heritage Conservation District;
- Residential Subdivision and Zoning By-law Amendment application of 100 single detached units;
- Site Plan application for an industrial building of 20,000 square metres;
- Site Plan and Zoning By-law Amendment application for an office building of 40,000 square metres;
- OPA, Zoning By-law Amendment, Site Plan, and Draft Plan of Condominium application for 25 back to back town house units; and
- Site Plan and Zoning By-law Amendment application for a mixed-use building of 20,000 square metres.

In addition to providing the fee impacts for the City of Vaughan, Figures A-1 through A-8 in Appendix A provide development fee comparisons for selected municipalities. Each of the eight development fee comparisons includes a chart comparing planning application fees (upper and lower tier), building permit fees and development charges as well as a graph comparing lower tier planning fees only. The comparison illustrates the impacts of the planning application structure in the context of the total development fees payable to provide a broader context for the fee considerations. Furthermore, each comparison considers applications in multiple areas of the City of Vaughan (e.g. VMC, Intensification Areas, Heritage Conservation Districts, other areas)

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#### ***4.1.1 Retail Building (1,000 sq.mt.) – Zoning By-law Amendment and Site Plan Applications (Figure A-1)***

The current planning fees for this retail development charged by the City would be \$26,426 (\$10,971 Zoning By-law Amendment and \$15,455 Site Development). Imposing the recommended fee structure would result in a charge of \$74,271 in the VMC and Intensification Areas (\$26,793 Zoning By-law Amendment and \$47,478 Site Plan) or an increase of \$47,845. Planning fees for all other application types would increase by \$2,783.

The impact of the recommended fee structure for development occurring in the VMC or Intensification Areas on total development fees payable, including development charges and building permit fees, would be substantial. Planning fees currently comprise 7% of total development fees and would increase to 14% based on the recommended fee structure. For development occurring in all other areas of the City, total development fees would remain relatively unchanged. In total, the City's development fees would increase by 9% in the VMC and Intensification Areas and less than 1% in all other areas. Compared to other GTA municipalities, the City's position in the ranking would increase to 2<sup>nd</sup> from 3<sup>rd</sup> in the VMC and Intensification Areas and remain unchanged for all other areas.

#### ***4.1.2 Multi-Residential Building (200 units) – OPA and Zoning By-law Amendment, Site Plan, and Draft Plan of Condominium Applications (Figure A-2)***

On a per unit basis, Zoning By-law Amendment fees would increase by \$68 (+28%) in the VMC and Intensification Areas and decrease by \$6 (-3%) in all other areas because of the absence of surcharges. Site Development fees would decrease by \$37 (-8%) in all other areas, decrease by \$14 (-3%) in the VMC and increase by \$115 (+25%) in Intensification Areas due to the recommended surcharge. OPA and Draft Plan of Condominium fees would increase by \$43 (20%) and \$46 (53%) per unit respectively in all areas. In total, per unit planning fees applicable for a new multi-residential building submitting an OPA and Zoning By-law Amendment, Site Development, and Draft Plan of Condominium applications would increase by \$271 (27%) in Intensification Areas, \$143 (14%) in the VMC, and by \$46 (5%) in all other areas.

Including development charges and building permit fees, the impact on the total development fees would result in a 0.1% to 0.6% increase depending on the area of development.

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***4.1.3 Residential Single Detached Home – Site Plan (Heritage Conservation District) Application (Figure A-3)***

A single-family home Site Development Application in a Heritage Conservation District would currently pay \$10,352 in City Development Planning fees. Under the recommended fee structure, this fee would increase by \$1,208 (12%). This recommended fee structure would result in planning fees comprising 21% of total development fees (including development charges). This represents a 12% increase over the current fees. In total, development fees would increase by 1%. The recommended fee structure would result in the City's relative position compared to similar municipalities remaining unchanged (3<sup>rd</sup> position).

***4.1.4 Residential Subdivision (100 units) –Zoning By-law Amendment and Draft Plan of Subdivision Application (Figure A-4)***

Planning fees for Zoning By-law Amendments and Draft Plan of Subdivisions are currently \$67,328 and \$60,733 respectively. Under the recommended fee structure options, Subdivision fees would increase by \$86,379 (+142%) in Intensification Areas and by \$55,479 (+91%) in other areas outside of the VMC. Zoning By-law Amendment application fees would decrease by \$10,738 (-16%) in Intensification Areas and decrease by \$2,544 (-38%) in other areas (excluding the VMC). Planning fees as a percentage of total development fees would increase from 2% currently to a peak of 3% for intensification applications.

The recommended fees would maintain the City's relative position in the municipal fee comparison (3<sup>rd</sup> out of 11 municipalities).

***4.1.5 Industrial Building (20,000 sq.mt.) – Site Plan Application (Figure A-5)***

The current planning fees for an industrial site development of 20,000 square metres. would be \$40,655. Imposing the recommended fee structure would result in a fee of \$78,158 (+92%) in Intensification Areas and \$47,903 (+18%) in all other areas (excluding the VMC). Measuring the impact including development charges and building permit fees, the total input cost would increase by 0.6% for Intensification Area applications and by 0.1% for other applications outside the VMC. Under this recommendation the City's position relative to the comparator municipalities would remain unchanged at 3<sup>rd</sup> out of 11 municipalities.

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**4.1.6 Office Building (40,000 sq.mt.) – Zoning By-law Amendment and Site Plan Application (Figure A-6)**

Figure A-6 illustrates the development fee comparison for a 40,000 square metre office building submitting a Zoning By-law and Site Development application. For this application type, Zoning By-law Amendment fees would increase by \$5,639 in Intensification Areas and the VMC, while they would decrease in all other areas (\$9,167 decrease). Site Development fees would increase from \$58,655 currently to \$103,227 (+76%) in the VMC and Intensification Areas and \$72,972 (+24%) in all other areas. In total, planning fees would increase by as much as \$50,211.

Including development charges and building permit fees, the proposed increase of \$50,211 in the VMC and Intensification Areas would produce an increase in total development fees of 0.4%. Total development fees in all other areas would increase by \$5,150 or a less than 0.1% increase. Relative to the municipal comparators, the City's position (4<sup>th</sup>) would remain unchanged.

**4.1.7 Back to Back Townhouse Development (25 units) – OPA and Zoning By-law Amendment, Site Plan, and Draft Plan of Condominium Common Element Application (Figure A-7)**

Recommended planning fees would produce a range of additional fees between \$9,390 and \$54,451. This represents an 7% to 42% increase over current fees of \$128,258. This range in fees can be broken down by planning sub-type as follows:

- Intensification Area applications – \$54,451 increase (+42%)
- VMC applications – \$28,701 increase (+22%)
- All other areas, excluding heritage – \$9,390 increase (+7%)

The total impact on development fees including development charges and building permit fees would be the following increases:

- Intensification area applications – 2.8% increase
- VMC applications – 1.5% increase
- All other areas, excluding heritage – 0.5% increase

The City's position in the municipal comparison would increase to 3<sup>rd</sup> for applications in the VMC and intensification areas and remain unchanged for all other application types (4<sup>th</sup> position).

#### ***4.1.8 Mixed-Use Development (18,000 sq.m. Residential and 2,000 sq.m. non-residential) (Figure A-8)***

The current planning fees imposed for this development type would be \$111,995 for Site Development applications and \$26,080 for Zoning By-law Amendment applications. Under the recommended fee structure, Site Development fees would decrease by \$19,548 (-17%) in the VMC and Intensification Areas and decrease by \$70,403 (-63%) in all other areas. Conversely, Zoning By-law Amendment application fees would increase by \$51,757 (+198%) in Intensification Areas, by \$41,457 (+159%) in the VMC and by \$901 (+3%) in all other areas. Including development charges and building permit fees, planning fees currently represent 0.7% of total development fees. This percentage would increase to a maximum of 1.6% in Intensification Areas or a 0.3% increase in total development fees. The recommended fees would maintain the City's current position at 4<sup>th</sup> out of 11 municipalities in the municipal fee comparison.

## **4.2 Impact Analysis Summary**

Based on the survey results, the recommended fees generally produce development fees greater than those provided under the current fee structure. Moreover, when assessing the impacts for development applications in Intensification Areas and the VMC, surcharges imposed create upward pressure on application fees, reflective of the increased processing complexity and effort involved for applications in these areas. The imposition of increased base charges for Zoning By-law Amendment, Site Development, and Draft Plan of Subdivision applications as well as the imposition of declining block per unit fees for all residential applications and mixed-use Site Development applications has the effect of decreasing the over recovery of costs from larger applicants. This adjustment which also allows for greater cost recover from smaller applicants helps to mitigate the risk of OMB appeal. Finally, while the total planning fee impacts are significant in most cases where surcharges are imposed, when measured on a total development cost basis, including development charges and building permits, the overall cost impacts are nominal.

## 5. Development Fees Review Study Conclusions

### 5.1 Conclusions

Summarized in this technical report is the legislative context for the planning fees review, the methodology undertaken, ABC model results and the associated full cost recovery, and fee structure recommendations. The model results indicate that the City is currently recovering 82% of the anticipated costs of processing planning applications and 61% of the anticipated costs of processing Committee of Adjustment applications. In developing the recommended cost recovery fee structure, careful consideration was given to the recent trends pertaining to planning fees, including recent comments of the Ontario Municipal Board concerning planning application fees, as well as the potential impact of the fee structure on sample development types and the impact compared to neighboring municipalities. When assessing the recommended fee impacts relative to the municipal comparators, the City's position generally remains unchanged.

The intent of the fee review is to provide the City with a recommended fee structure for Council's consideration to appropriately recover the service costs from benefiting parties, while sustaining annual revenues for service provision and mitigating risk of OMB appeal. While City Council will ultimately determine the level of cost recovery and potential phasing strategies, that is suitable for their objectives, the full cost recovery fee recommendations contained herein are anticipated to produce approximately \$2.4 million in additional planning and COA application revenues when compared to 2017 budgeted revenues.

.

## **Appendix A – Municipal Development Fees Impact Analysis**

Figure A-1 - Survey of Development Fees Related to 1,000 m<sup>2</sup> Retail Development

Rank	Municipality	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Rezoning (Upper Tier)	Rezoning (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	Town of Markham	\$ 8,300	\$ 18,410	\$ 1,000	\$ 36,510	\$ 13,230	\$ 882,140	\$ 959,590	7%
2	Vaughan (Recommended - VMC & Intensification)	\$ 8,300	\$ 47,478	\$ 1,000	\$ 26,793	\$ 13,000	\$ 489,930	\$ 586,501	14%
3	Town of Richmond Hill	\$ 8,300	\$ 9,295	\$ 1,000	\$ 12,671	\$ 15,100	\$ 516,370	\$ 562,736	6%
4	Vaughan (Recommended - All Other Areas)	\$ 8,300	\$ 17,222	\$ 1,000	\$ 11,987	\$ 13,000	\$ 489,930	\$ 541,439	7%
5	City of Vaughan	\$ 8,300	\$ 15,455	\$ 1,000	\$ 10,971	\$ 13,000	\$ 489,930	\$ 538,656	7%
6	City of Burlington	\$ 1,053	\$ 7,400	\$ 931	\$ 20,515	\$ 22,250	\$ 417,620	\$ 469,769	6%
7	City of Mississauga	\$ -	\$ 23,334	\$ -	\$ 49,199	\$ 16,250	\$ 312,990	\$ 401,773	18%
8	City of Brampton	\$ -	\$ 5,261	\$ -	\$ 9,726	\$ 15,750	\$ 313,670	\$ 344,407	4%
9	City of Toronto	\$ -	\$ 27,240	\$ -	\$ 44,440	\$ 18,780	\$ 212,510	\$ 302,970	24%
10	City of Ottawa	\$ -	\$ 20,684	\$ -	\$ 15,914	\$ 10,979	\$ 234,438	\$ 282,015	13%
11	Town of Whitby	\$ -	\$ 14,076	\$ 1,000	\$ 13,658	\$ 13,580	\$ 177,281	\$ 219,595	13%
12	City of Pickering	\$ -	\$ 4,150	\$ 1,000	\$ 12,800	\$ 9,500	\$ 187,507	\$ 214,957	8%
13	City of Hamilton	\$ -	\$ 14,120	\$ -	\$ 21,890	\$ 15,720	\$ 111,624	\$ 163,354	22%

Survey of Planning Fees Related to 1,000 m<sup>2</sup> Retail Development

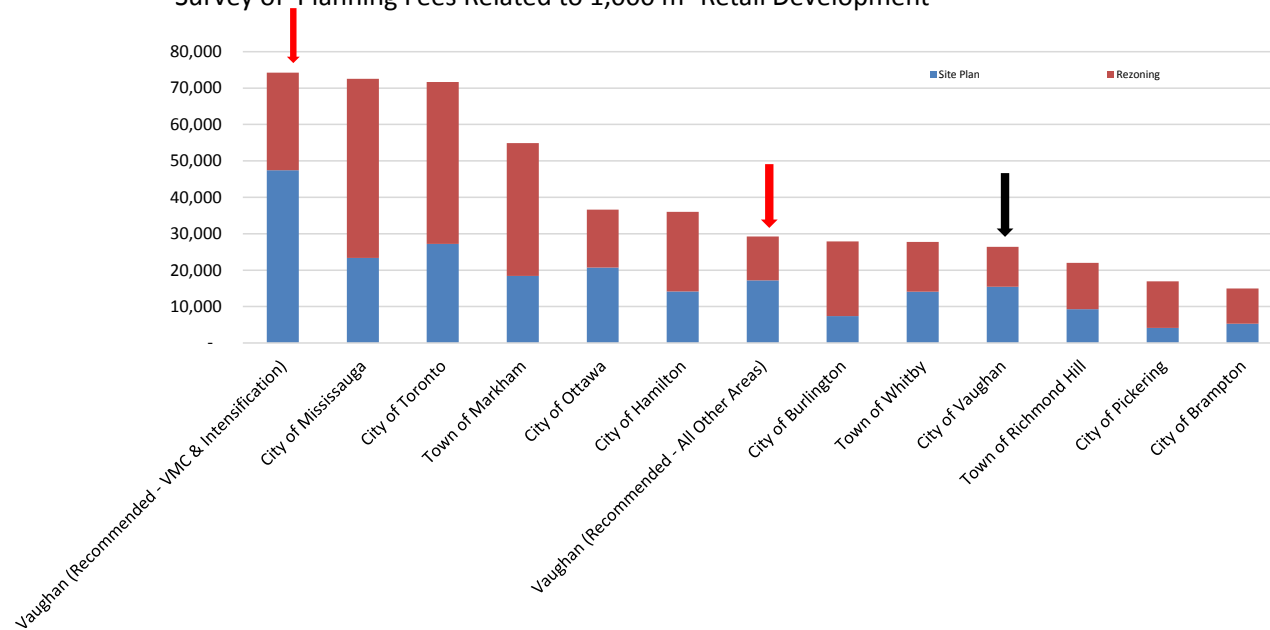
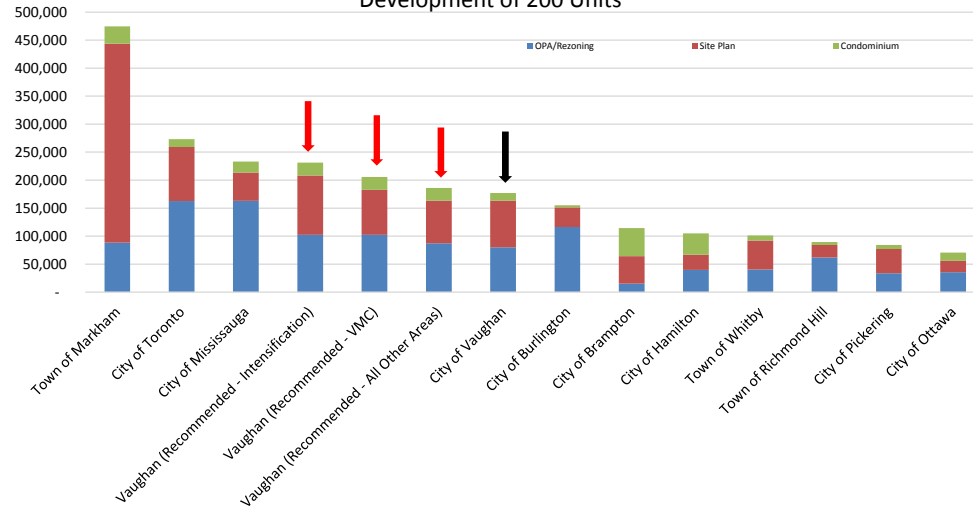


Figure A-2 - Survey of Development Fees Related to a Mult-Residential Condominium Development of 200 Units

Rank	Municipality	OPA (Upper Tier)	OPA (Lower Tier)	ZBA (Upper Tier)	ZBA (Lower Tier)	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Plan of Condominium (Upper Tier)	Plan of Condominium (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	City of Mississauga	\$ 10,000	\$ 41,393	\$ -	\$ 121,716	\$ -	\$ 50,374	\$ 3,000	\$ 19,639	\$ 280,103	\$ 10,638,850	\$ 11,165,075	2%
2	City of Brampton	\$ 10,000	\$ 6,032	\$ -	\$ 9,085	\$ -	\$ 49,226	\$ 3,000	\$ 49,966	\$ 190,971	\$ 10,109,330	\$ 10,427,610	1%
3	Town of Markham	\$ 8,700	\$ 51,990	\$ 1,000	\$ 36,510	\$ 8,300	\$ 355,375	\$ 3,600	\$ 30,610	\$ 278,096	\$ 9,066,400	\$ 9,840,581	5%
4	Vaughan (Recommended - Intensification)	\$ 8,700	\$ 41,393	\$ 1,000	\$ 60,739	\$ 8,300	\$ 106,200	\$ 3,600	\$ 22,944	\$ 202,343	\$ 9,031,200	\$ 9,486,419	3%
5	Vaughan (Recommended - VMC)	\$ 8,700	\$ 41,393	\$ 1,000	\$ 60,739	\$ 8,300	\$ 80,450	\$ 3,600	\$ 22,944	\$ 202,343	\$ 9,031,200	\$ 9,460,669	2%
6	Vaughan (Recommended - All Other Areas)	\$ 8,700	\$ 41,393	\$ 1,000	\$ 45,934	\$ 8,300	\$ 75,944	\$ 3,600	\$ 22,944	\$ 202,343	\$ 9,031,200	\$ 9,441,357	2%
7	City of Vaughan	\$ 8,700	\$ 32,805	\$ 1,000	\$ 47,228	\$ 8,300	\$ 83,255	\$ 3,600	\$ 13,745	\$ 202,343	\$ 9,031,200	\$ 9,432,176	2%
8	Town of Richmond Hill	\$ 8,700	\$ 49,276	\$ 1,000	\$ 12,671	\$ 8,300	\$ 22,134	\$ 3,600	\$ 5,484	\$ 309,367	\$ 8,422,400	\$ 8,842,932	1%
9	City of Burlington	\$ 9,345	\$ 20,705	\$ 931	\$ 95,411	\$ 1,053	\$ 35,400	\$ 3,449	\$ 3,640	\$ 207,694	\$ 5,764,004	\$ 6,141,632	3%
10	Town of Whitby	\$ 2,000	\$ 26,686	\$ 1,000	\$ 13,658	\$ -	\$ 51,690	\$ 4,000	\$ 9,194	\$ 213,714	\$ 5,334,200	\$ 5,656,142	2%
11	City of Toronto	\$ -	\$ -	\$ -	\$ 162,814	\$ -	\$ 96,240	\$ -	\$ 14,301	\$ 290,960	\$ 5,071,400	\$ 5,635,715	5%
12	City of Pickering	\$ 2,000	\$ 21,000	\$ 1,000	\$ 12,800	\$ -	\$ 43,200	\$ 4,000	\$ 7,200	\$ 200,671	\$ 5,052,800	\$ 5,344,671	2%
13	City of Hamilton	\$ -	\$ 17,655	\$ -	\$ 21,890	\$ -	\$ 27,220	\$ -	\$ 38,020	\$ 239,969	\$ 4,824,600	\$ 5,169,354	2%
14	City of Ottawa	\$ -	\$ 19,477	\$ -	\$ 15,914	\$ -	\$ 20,684	\$ -	\$ 14,683	\$ 183,600	\$ 3,785,200	\$ 4,039,558	2%

Survey of Planning Fees Related to a Mult-Residential Condominium Development of 200 Units



**Figure A-3 - Survey of Development Fees Related to a Single Family Home Site Plan (Heritage District)**

Rank	Municipality	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	City of Mississauga	\$ -	\$ 10,455	\$ 3,112	\$ 81,546	\$ 95,114	11%
2	Town of Markham	\$ 8,300	\$ 14,073	\$ 3,090	\$ 69,262	\$ 94,725	24%
3	Vaughan (Recommended - Heritage)	\$ 8,300	\$ 11,560	\$ 2,248	\$ 71,279	\$ 93,387	21%
4	City of Vaughan	\$ 8,300	\$ 10,352	\$ 2,248	\$ 71,279	\$ 92,179	20%
5	City of Brampton	\$ -	\$ 4,063	\$ 2,122	\$ 81,830	\$ 88,015	5%
6	Town of Richmond Hill	\$ 8,300	\$ 3,005	\$ 3,437	\$ 64,351	\$ 79,093	14%
7	City of Toronto	\$ -	\$ 20,887	\$ 3,171	\$ 40,301	\$ 64,359	32%
8	City of Burlington	\$ 1,053	\$ 6,365	\$ 2,308	\$ 51,776	\$ 61,501	12%
9	Town of Whitby	\$ -	\$ 11,926	\$ 2,375	\$ 42,187	\$ 56,487	21%
10	City of Ottawa	\$ -	\$ 20,684	\$ 2,040	\$ 33,600	\$ 56,324	37%
11	City of Hamilton	\$ -	\$ 9,650	\$ 2,666	\$ 38,274	\$ 50,590	19%
12	City of Pickering	\$ -	\$ 3,400	\$ 2,230	\$ 42,654	\$ 48,284	7%

**Survey of Planning Fees Related to a Single Family Home Site Plan (Heritage District)**

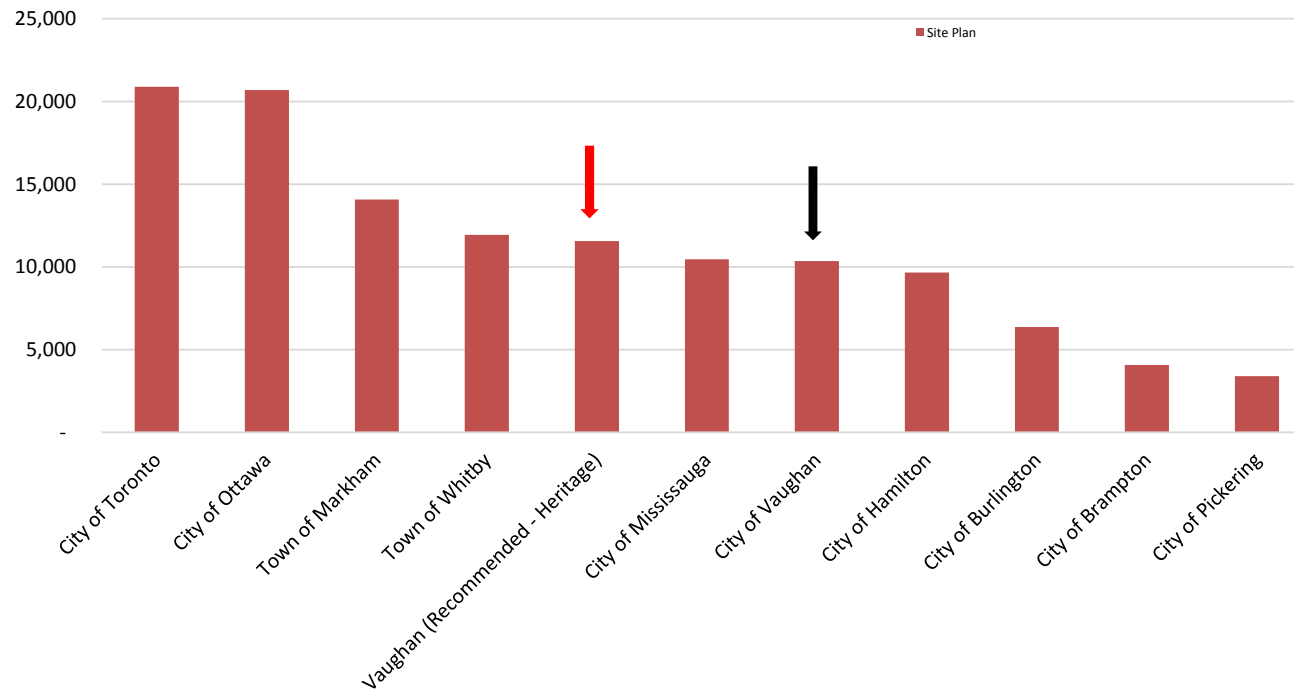


Figure A-4 - Survey of Fees Development Related to a Residential Subdivision of 100 Single Dwelling Units

Rank	Municipality	Subdivision Fees (Upper Tier)	Subdivision Fees (Lower Tier)	Rezoning (Upper Tier)	Rezoning (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	City of Mississauga	\$ 15,000	\$ 44,672	\$ -	\$ 127,499	\$ 258,850	\$ 8,154,627	\$ 8,600,648	2%
2	City of Brampton	\$ 15,000	\$ 70,523	\$ -	\$ 72,985	\$ 190,714	\$ 8,183,027	\$ 8,532,249	2%
3	Vaughan (Recommended - Intensification)	\$ 7,800	\$ 139,312	\$ 1,000	\$ 55,590	\$ 180,360	\$ 7,127,900	\$ 7,511,961	3%
4	Vaughan (Recommended - All Other Areas)	\$ 7,800	\$ 108,412	\$ 1,000	\$ 40,784	\$ 180,360	\$ 7,127,900	\$ 7,466,255	2%
5	City of Vaughan	\$ 7,800	\$ 52,933	\$ 1,000	\$ 66,328	\$ 180,360	\$ 7,127,900	\$ 7,436,321	2%
6	Town of Markham	\$ 7,800	\$ 200,990	\$ 1,000	\$ 29,840	\$ 235,303	\$ 6,926,200	\$ 7,401,133	3%
7	Town of Richmond Hill	\$ 7,800	\$ 57,064	\$ 1,000	\$ 12,671	\$ 235,470	\$ 6,435,100	\$ 6,749,105	1%
8	City of Burlington	\$ 11,583	\$ 102,235	\$ 931	\$ 13,661	\$ 207,414	\$ 5,177,569	\$ 5,513,393	2%
9	City of Toronto	\$ -	\$ 241,121	\$ -	\$ 153,866	\$ 285,487	\$ 4,030,100	\$ 4,710,574	8%
10	City of Pickering	\$ 4,000	\$ 29,100	\$ 1,000	\$ 12,800	\$ 200,400	\$ 4,265,400	\$ 4,512,700	1%
11	Town of Whitby	\$ 4,000	\$ 71,238	\$ 1,000	\$ 13,658	\$ 196,392	\$ 4,218,700	\$ 4,504,988	2%
12	City of Hamilton	\$ -	\$ 56,725	\$ -	\$ 21,890	\$ 239,645	\$ 3,827,400	\$ 4,145,660	2%
13	City of Ottawa	\$ -	\$ 72,578	\$ -	\$ 15,914	\$ 172,567	\$ 3,360,000	\$ 3,621,059	2%

Survey of Planning Fees Related to a Residential Subdivision of 100 Single Dwelling Units

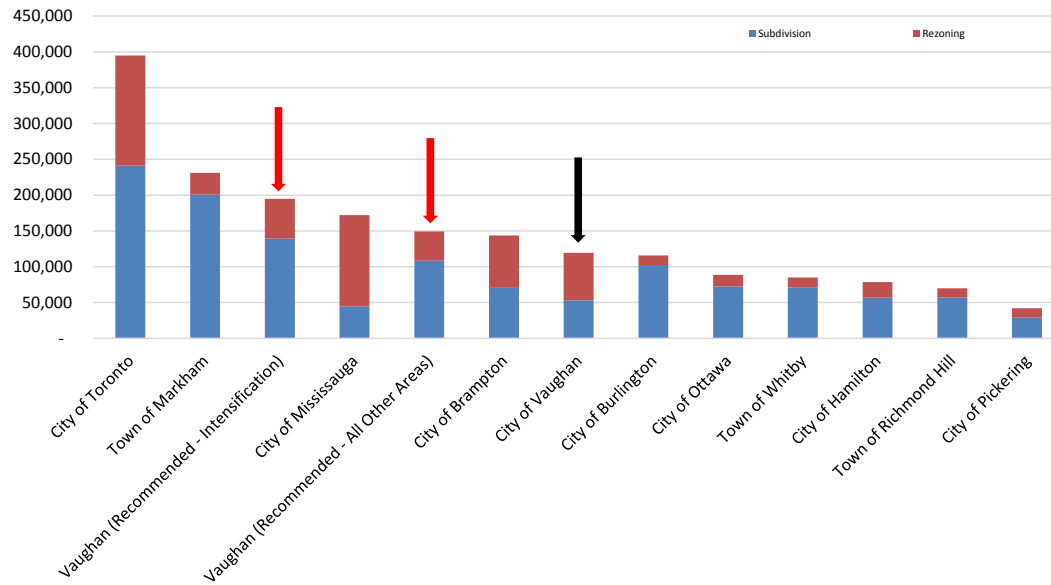


Figure A-5 - Survey of Development Fees Related to Industrial Development (20,000 m<sup>2</sup>)

Rank	Municipality	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	Town of Markham	\$ 8,300	\$ 158,830	\$ 216,400	\$ 9,023,000	\$ 9,406,530	2%
2	Town of Richmond Hill	\$ 8,300	\$ 9,295	\$ 276,000	\$ 5,787,000	\$ 6,080,595	0%
3	Vaughan (Recommended - Intensification)	\$ 8,300	\$ 69,858	\$ 178,000	\$ 5,615,800	\$ 5,871,958	1%
4	Vaughan (Recommended - All Other Areas)	\$ 8,300	\$ 39,603	\$ 178,000	\$ 5,615,800	\$ 5,841,703	1%
5	City of Vaughan	\$ 8,300	\$ 32,355	\$ 178,000	\$ 5,615,800	\$ 5,834,455	1%
6	City of Mississauga	\$ -	\$ 60,384	\$ 232,000	\$ 4,563,400	\$ 4,855,784	1%
7	City of Burlington	\$ 1,053	\$ 19,150	\$ 139,578	\$ 4,647,000	\$ 4,806,781	0%
8	City of Brampton	\$ -	\$ 33,951	\$ 206,600	\$ 3,883,600	\$ 4,124,151	1%
9	City of Pickering	\$ -	\$ 5,950	\$ 160,000	\$ 3,196,878	\$ 3,362,828	0%
10	Town of Whitby	\$ -	\$ 101,856	\$ 195,000	\$ 2,992,352	\$ 3,289,208	3%
11	City of Ottawa	\$ -	\$ 20,684	\$ 172,223	\$ 2,219,519	\$ 2,412,425	1%
12	City of Hamilton	\$ -	\$ 34,120	\$ 155,000	\$ 2,066,716	\$ 2,255,836	2%
13	City of Toronto	\$ -	\$ 155,827	\$ 271,800	\$ 230,400	\$ 658,027	24%

Survey of Planning Fees Related to Industrial Development (20,000 m<sup>2</sup>)

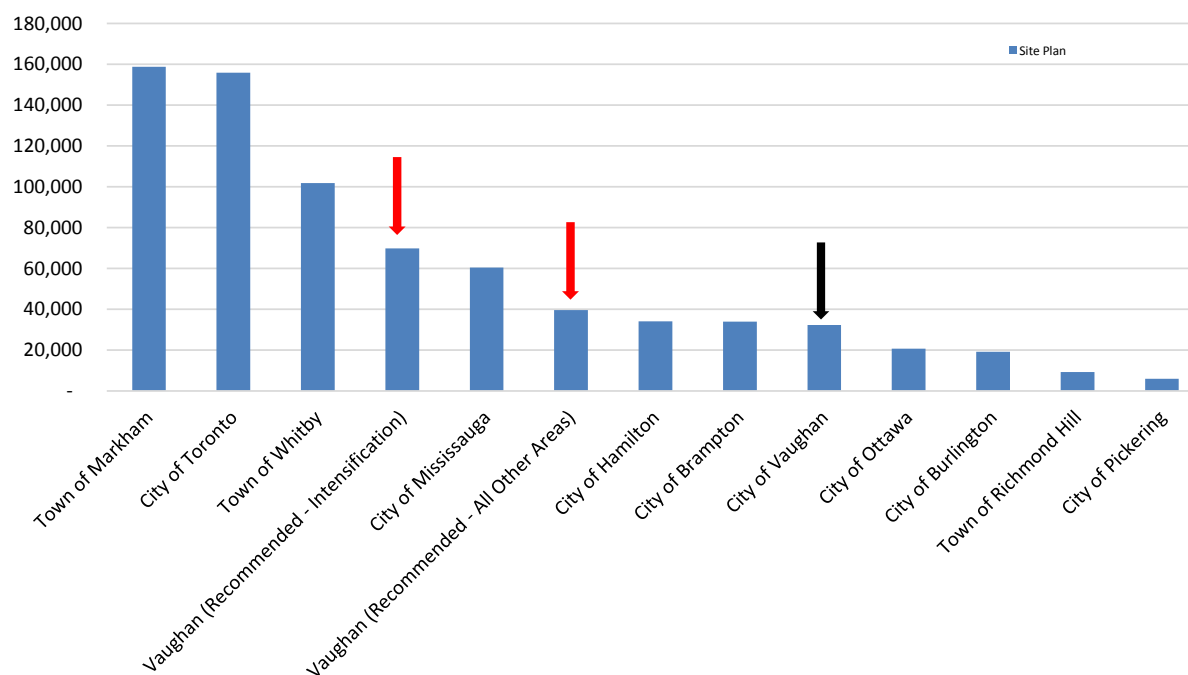


Figure A-6 - Survey of Development Fees Related to Office Development (40,000 m<sup>2</sup>)

Rank	Municipality	Rezoning (Upper Tier)	Rezoning (Lower Tier)	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	Town of Markham	\$ 1,000	\$ 36,510	\$ 8,300	\$ 305,630	\$ 620,400	\$ 18,410,800	\$ 19,382,640	2%
2	City of Mississauga	\$ -	\$ 73,373	\$ -	\$ 168,299	\$ 670,000	\$ 12,519,600	\$ 13,431,272	1%
3	Town of Richmond Hill	\$ 1,000	\$ 12,671	\$ 8,300	\$ 9,295	\$ 772,000	\$ 11,574,000	\$ 12,377,266	0%
4.5	Vaughan (Recommended - Intensification)	\$ 1,000	\$ 45,571	\$ 8,300	\$ 94,927	\$ 540,000	\$ 10,945,200	\$ 11,634,998	1%
4.5	Vaughan (Recommended - VMC)	\$ 1,000	\$ 45,571	\$ 8,300	\$ 94,927	\$ 540,000	\$ 10,945,200	\$ 11,634,998	1%
6	Vaughan (Recommended - All Other Areas)	\$ 1,000	\$ 30,765	\$ 8,300	\$ 64,672	\$ 540,000	\$ 10,945,200	\$ 11,589,937	1%
7	City of Vaughan	\$ 1,000	\$ 39,932	\$ 8,300	\$ 50,355	\$ 540,000	\$ 10,945,200	\$ 11,584,787	1%
8	City of Brampton	\$ -	\$ 9,085	\$ -	\$ 64,151	\$ 630,000	\$ 10,413,600	\$ 11,116,836	1%
9	City of Burlington	\$ 931	\$ 61,735	\$ 1,053	\$ 58,150	\$ 888,000	\$ 9,294,000	\$ 10,303,869	1%
10	City of Toronto	\$ -	\$ 319,000	\$ -	\$ 294,227	\$ 884,800	\$ 8,500,400	\$ 9,998,427	3%
11	City of Ottawa	\$ -	\$ 15,914	\$ -	\$ 20,684	\$ 516,800	\$ 9,377,515	\$ 9,930,913	0%
12	City of Pickering	\$ 1,000	\$ 12,800	\$ -	\$ 22,200	\$ 500,000	\$ 7,500,286	\$ 8,036,286	0%
13	Town of Whitby	\$ 1,000	\$ 13,658	\$ -	\$ 72,493	\$ 629,600	\$ 7,091,234	\$ 7,807,985	1%
14	City of Hamilton	\$ -	\$ 21,890	\$ -	\$ 209,120	\$ 755,600	\$ 314,400	\$ 1,301,010	16%

Survey of Planning Fees Related to a 40,000 m<sup>2</sup> Office Development

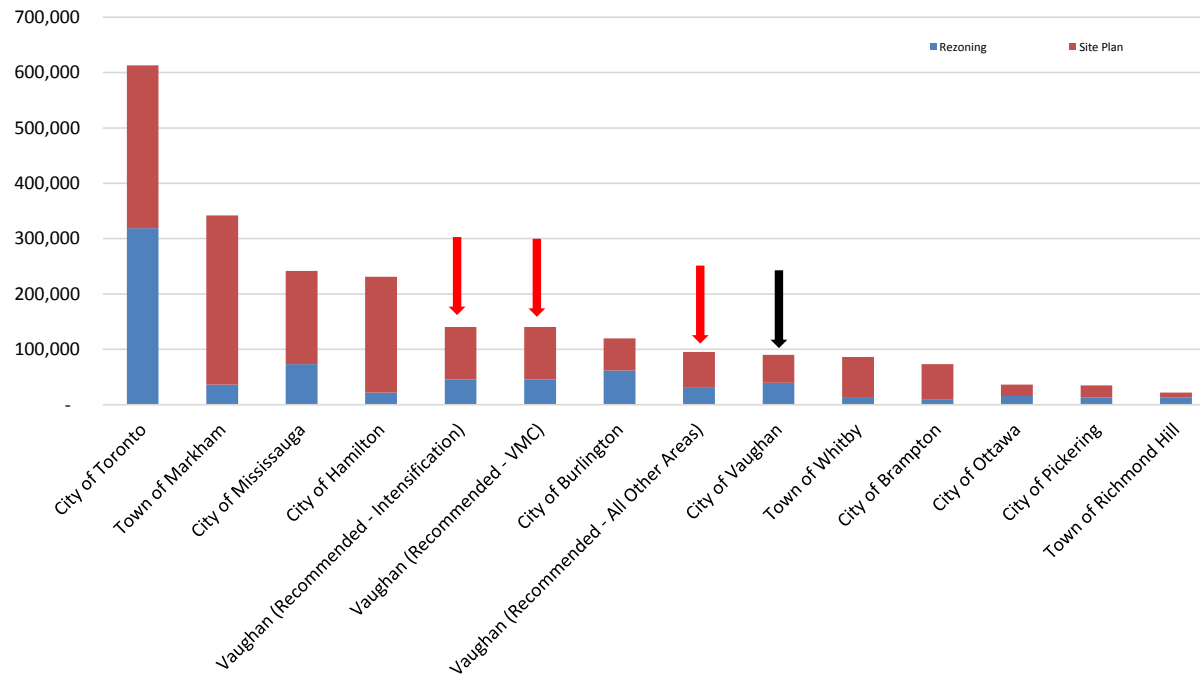
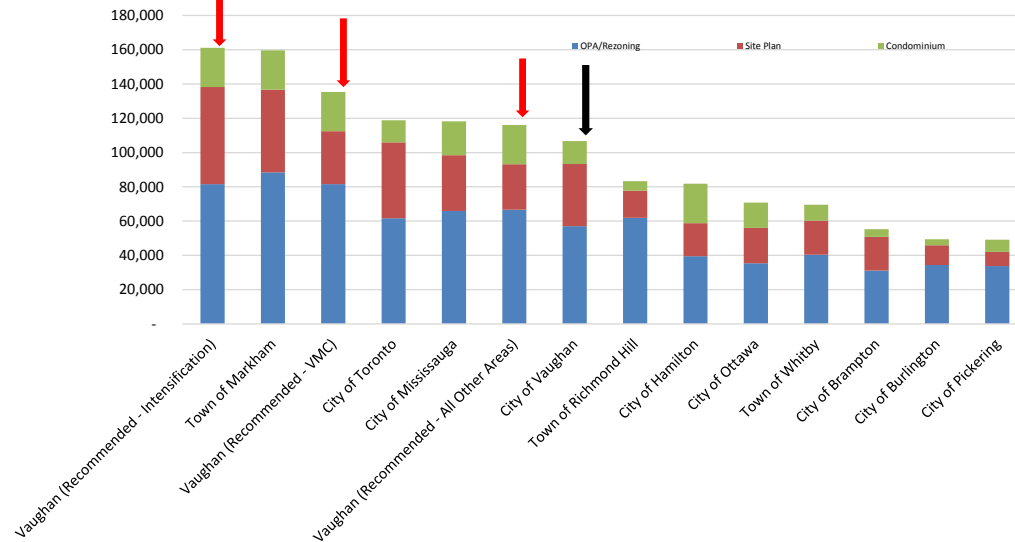


Figure A-7 - Survey of Development Fees Related to a Residential 25 Unit Townhouse Development

Rank	Municipality	OPA (Upper Tier)	OPA (Lower Tier)	ZBA (Upper Tier)	ZBA (Lower Tier)	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Plan of Condominium (Upper Tier)	Condominium Common Element (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	City of Mississauga	\$ 10,000	\$ -	\$ -	\$ 65,891	\$ -	\$ 32,524	\$ 3,000	\$ 19,820	\$ 54,000	\$ 2,038,657	\$ 2,223,892	6%
2	City of Brampton	\$ 10,000	\$ 6,032	\$ -	\$ 25,060	\$ -	\$ 19,726	\$ 3,000	\$ 4,491	\$ 39,786	\$ 2,045,757	\$ 2,153,851	3%
3	Vaughan (Recommended - Intensification)	\$ 8,700	\$ 41,393	\$ 1,000	\$ 40,139	\$ 8,300	\$ 56,674	\$ 3,600	\$ 22,903	\$ 37,626	\$ 1,781,975	\$ 2,002,310	9%
4	Vaughan (Recommended - VMC)	\$ 8,700	\$ 41,393	\$ 1,000	\$ 40,139	\$ 8,300	\$ 30,924	\$ 3,600	\$ 22,903	\$ 37,626	\$ 1,781,975	\$ 1,976,560	8%
5	Town of Markham	\$ 8,700	\$ 51,990	\$ 1,000	\$ 36,510	\$ 8,300	\$ 48,280	\$ 3,600	\$ 22,830	\$ 49,088	\$ 1,731,550	\$ 1,961,848	9%
6	Vaughan (Recommended - All Other Areas)	\$ 8,700	\$ 41,393	\$ 1,000	\$ 25,334	\$ 8,300	\$ 26,419	\$ 3,600	\$ 22,903	\$ 37,626	\$ 1,781,975	\$ 1,957,249	7%
7	City of Vaughan	\$ 8,700	\$ 32,805	\$ 1,000	\$ 24,253	\$ 8,300	\$ 36,255	\$ 3,600	\$ 13,345	\$ 37,626	\$ 1,781,975	\$ 1,947,859	7%
8	Town of Richmond Hill	\$ 8,700	\$ 49,276	\$ 1,000	\$ 12,671	\$ 8,300	\$ 15,917	\$ 3,600	\$ 5,484	\$ 49,122	\$ 1,608,775	\$ 1,762,845	6%
9	City of Burlington	\$ 9,345	\$ 20,705	\$ 931	\$ 13,661	\$ 1,053	\$ 11,525	\$ 409	\$ 3,570	\$ 43,270	\$ 1,294,392	\$ 1,398,860	4%
10	Town of Whitby	\$ 20,000	\$ 26,686	\$ 1,000	\$ 13,658	\$ -	\$ 19,962	\$ 4,000	\$ 9,246	\$ 40,970	\$ 1,054,675	\$ 1,190,197	8%
11	City of Toronto	\$ -	\$ -	\$ -	\$ 61,671	\$ -	\$ 44,246	\$ -	\$ 12,957	\$ 59,768	\$ 1,007,525	\$ 1,186,166	10%
12	City of Pickering	\$ 20,000	\$ 21,000	\$ 1,000	\$ 12,800	\$ -	\$ 8,200	\$ 4,000	\$ 7,200	\$ 41,806	\$ 1,066,350	\$ 1,182,356	6%
13	City of Hamilton	\$ -	\$ 17,655	\$ -	\$ 21,890	\$ -	\$ 19,220	\$ -	\$ 23,020	\$ 49,993	\$ 956,850	\$ 1,088,628	8%
14	City of Ottawa	\$ -	\$ 19,477	\$ -	\$ 15,914	\$ -	\$ 20,684	\$ -	\$ 14,683	\$ 36,000	\$ 840,000	\$ 946,758	7%

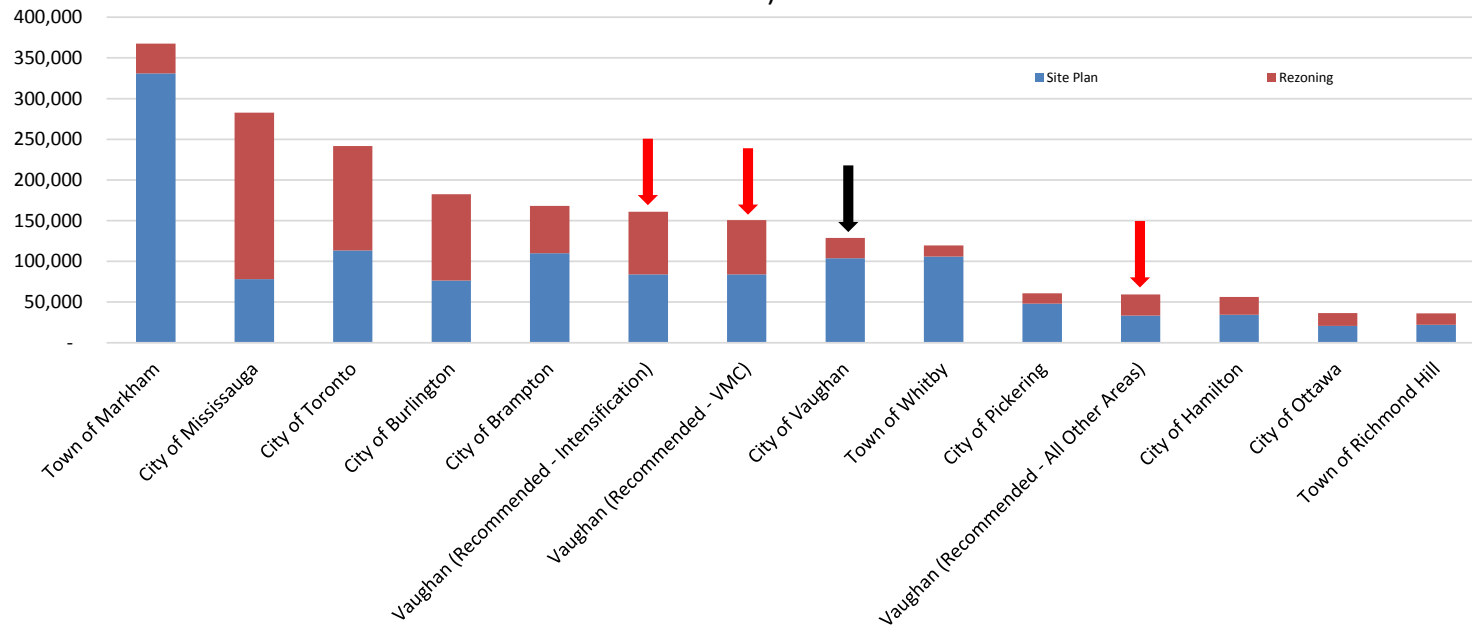
Survey of Planning Fees Related to a Residential 25 Unit Townhouse Development



**Figure A-8 - Survey of Development Fees Related to Mixed Use Development (18,000 m<sup>2</sup> Residential and 2,000 m<sup>2</sup> Mixed Use)**

Rank	Municipality	Site Plan (Upper Tier)	Site Plan (Lower Tier)	Rezoning (Upper Tier)	Rezoning (Lower Tier)	Building Permit Fees	Development Charges	Total	Planning Fees %
1	City of Mississauga	\$ -	\$ 78,209	\$ -	\$ 204,594	\$ 324,310	\$ 12,062,744	\$ 12,669,857	2%
2	City of Brampton	\$ -	\$ 110,045	\$ -	\$ 58,182	\$ 313,501	\$ 11,388,210	\$ 11,869,938	1%
3	Town of Markham	\$ 8,300	\$ 331,120	\$ 1,000	\$ 36,510	\$ 222,620	\$ 10,666,920	\$ 11,266,470	3%
4	Vaughan (Recommended - Intensification)	\$ 8,300	\$ 84,147	\$ 1,000	\$ 76,837	\$ 184,193	\$ 10,255,800	\$ 10,610,277	2%
5	Vaughan (Recommended - VMC)	\$ 8,300	\$ 84,147	\$ 1,000	\$ 66,537	\$ 184,193	\$ 10,255,800	\$ 10,599,977	2%
6	City of Vaughan	\$ 8,300	\$ 103,695	\$ 1,000	\$ 25,080	\$ 184,193	\$ 10,255,800	\$ 10,578,068	1%
7	Vaughan (Recommended - All Other Areas)	\$ 8,300	\$ 33,292	\$ 1,000	\$ 25,981	\$ 184,193	\$ 10,255,800	\$ 10,508,566	1%
8	Town of Richmond Hill	\$ 8,300	\$ 22,134	\$ 1,000	\$ 13,873	\$ 281,072	\$ 9,632,780	\$ 9,959,159	0%
9	City of Burlington	\$ 1,053	\$ 76,335	\$ 931	\$ 106,280	\$ 293,602	\$ 6,661,004	\$ 7,139,205	3%
10	City of Toronto	\$ -	\$ 113,317	\$ -	\$ 128,475	\$ 343,562	\$ 5,876,775	\$ 6,462,129	4%
11	Town of Whitby	\$ -	\$ 106,015	\$ 1,000	\$ 13,658	\$ 250,670	\$ 6,088,827	\$ 6,460,170	2%
12	City of Pickering	\$ -	\$ 48,100	\$ 1,000	\$ 12,800	\$ 240,721	\$ 5,806,774	\$ 6,109,395	1%
13	City of Hamilton	\$ -	\$ 34,380	\$ -	\$ 21,890	\$ 280,026	\$ 5,202,165	\$ 5,538,461	1%
14	City of Ottawa	\$ -	\$ 20,684	\$ -	\$ 15,914	\$ 176,758	\$ 4,537,966	\$ 4,751,322	1%

**Survey of Planning Fees Related to Mixed Use Development (18,000 m<sup>2</sup> Residential and 2,000 m<sup>2</sup> Mixed Use)**



## Memorandum

To:	Mauro Peverini	Fax	<input type="checkbox"/>
From:	Andrew Grunda	Courier	<input type="checkbox"/>
Date:	August 10, 2017	Mail	<input type="checkbox"/>
Re:	Planning Applications Fee Review – Additional Staff Resource Impacts	e-mail	<input checked="" type="checkbox"/>

The City of Vaughan is experiencing a shift in the characteristics and processing complexity of the typical planning applications it receives. The typical planning application today, and anticipated in the future, is generally more complex than historic applications requiring more staff review time and coordination. This increase in application processing complexity is driven in part by increased involvement from external agencies, 3D modeling requirements, involvement from the Strategic Advisory Team and Design Advisory Group, more substantial public process to address impacts on existing residents, pre-application consultation processes and increased involvement with from the Design Review Panel. Moreover, in consultation with the development industry comments were received that further processing resources should be provided address applications in a timelier manner.

In consideration of these factors, City staff have identified the need for five additional full time equivalent (FTE) staff positions for 2018 to response to the increase in processing demands. These staff positions include:

- 2 Planning Technicians
- 1 GIS Mapping Technician
- 1 Urban Designer/Technical Landscape Architect
- 1 Senior Manager Development (VMC)

Moreover, a further FTE for Urban Designer-Policy and Projects has been identified as a requirement in 2019, in response to the application processing complexity trends described above continuing.

### Services

- |  |  |   |   |
|--|--|---|---|
| ▪ Demographics, Pupil Forecasting, Industrial/Commercial Forecasts | ▪ Development/Education Development Charge Policy  | ▪ Financial Analysis of Municipal Restructuring Options | ▪ Fiscal Impact of Development                          |
| ▪ Land Needs and Market Studies                                    | ▪ Long Range Financial Planning for Municipalities | ▪ Municipal Management Improvement                      | ▪ O.M.B. Hearings – Financial, Market, Demographic      |
| ▪ School Board Planning and Financing                              | ▪ Servicing Cost Sharing                           | ▪ Tax Policy Analysis                                   | ▪ Waste Management Rate Setting, Valuation and Planning |

It is understood that these additional FTEs would be required to process the same underlying volume of annual applications assessed in the 2017 Planning Applications Fee Review, and that the impact would be to increase the planning application fees recommendations therein.

The following sections of this memo summarize the sensitivity modeling undertaken and impacts of the additional staff resource requirements on current cost recovery levels, the resultant full cost recovery fee structure recommendations, and impacts on specific planning applications.

## **1. 2018 Additional Staff Resource Impacts**

### **1.1 *Processing Effort Cost Allocation***

In total, the salary, wage and benefit costs of the additional FTEs would be approximately \$566,000. The capacity utilization of the additional staff positions has been modeled based on similar positions within the 2017 Planning Applications Fee Review model. It is assumed that these additional five FTEs will be required to process the same volume of applications as currently modeled. The weighted average capacity utilization for these positions is 96% across planning application types. As such, 96% (or \$542,000) of the salary, wage and benefit costs of the addition FTEs has been included for recovery in the revised fee structure recommendations.

Moreover, there would also be an additional \$9,000 in costs attributable to proportionate increases in non-salary, wage and benefit direct costs and indirect costs. In total, the additional application processing costs associated with the additional staff resources would be approximately \$551,000.

Detailed in Table 1 for planning applications, is the per application processing costs including the additional FTEs, compared with per application revenues derived from the City's existing fee structure and the historical average application characteristics (2011-2015).

Table 2 summarizes the level of cost recovery by application/surcharge type compared to the 2017 Planning Applications Fee Review results. The overall recovery levels are based on weighted average annual historical application volumes over the 2011-2015 period. As presented, current planning fees are recovering approximately 82% of processing costs annually. This compares with full cost recovery levels for planning fees of 76% with the inclusion of the additional staff resources.

**Table 1**  
**Revised 2018 Planning Fee Modeling Impact by Application Type (2017\$)**

Application/Surcharge Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<b>Planning Applications</b>				
<u>Official Plan Amendment</u>				
Major	44,755	32,806	(11,950)	73%
Minor	28,835	15,960	(12,875)	55%
<u>ZBA - Residential</u>				
Average	39,261	38,330	(931)	98%
Standard	33,591	31,911	(1,680)	95%
VMC	50,942	80,079	29,137	157%
Heritage	36,290	29,359	(6,932)	81%
Intensification	51,510	53,271	1,761	103%
<u>ZBA - Non-Residential</u>				
Average	37,532	44,056	6,524	117%
Standard	32,771	61,745	28,973	188%
VMC	46,934	72,877	25,943	155%
Heritage	34,603	10,774	(23,829)	31%
Intensification	47,520	50,551	3,030	106%
<u>ZBA - Mixed-Use</u>	-	-		
Average	55,793	30,837	(24,956)	55%
Standard	32,769	46,422	13,653	142%
VMC	71,426	39,645	(31,781)	56%
Heritage	50,792	16,584	(34,208)	33%
Intensification	70,841	19,335	(51,507)	27%
<u>ZBA - Section 37</u>	30,328	-	(30,328)	0%
Remove H Symbol	4,665	4,609	(56)	99%
Part Lot Control	3,554	2,101	(1,453)	59%
Interim Control By-law Amendment	4,571	5,196	625	114%
<u>Site Development - Residential</u>				
Average	52,272	77,915	25,643	149%
Standard	33,281	66,325	33,045	199%
VMC	97,592	201,324	103,731	206%
Heritage	57,798	55,220	(2,578)	96%
Intensification	70,030	65,111	(4,919)	93%
<u>Site Development - Non-Residential</u>				
Average	49,590	35,969	(13,621)	73%
Standard	32,129	34,430	2,300	107%
VMC	93,302	54,081	(39,221)	58%
Heritage	62,991	10,499	(52,493)	17%
Intensification	81,133	43,224	(37,909)	53%
<u>Site Development - Mixed Use</u>				
Average	63,815	87,304	23,489	137%
Standard	32,129	214,032	181,902	666%
VMC	93,302	177,422	84,121	190%
Heritage	62,991	110,952	47,961	176%
Intensification	81,133	93,267	12,134	115%

**Table 1 (Cont'd)**  
**Revised 2018 Planning Fee Modeling Impact by Application Type (2017\$)**

Application/Surcharge Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<u>Condominium</u>				
Standard	23,609	13,745	(9,864)	58%
Common Element	23,515	13,745	(9,769)	58%
<u>Subdivision - Residential</u>				
Average	95,180	36,438	(58,742)	38%
Standard	91,775	41,452	(50,323)	45%
VMC	125,771	56,485	(69,287)	45%
Heritage	98,448	22,945	(75,504)	23%
Infill	107,010	25,125	(81,885)	23%
<u>Subdivision - Non-Residential</u>				
Average	85,968	29,495	(56,473)	34%
Standard	73,512	29,413	(44,099)	40%
VMC	102,353	32,067	(70,286)	31%
Heritage	82,288	29,756	(52,531)	36%
Intensification	85,720	26,744	(58,976)	31%
<u>Subdivision - Mixed Use</u>				
Average	85,963	42,366	(43,598)	49%
Standard	73,512	35,666	(37,846)	49%
VMC	102,353	46,600	(55,754)	46%
Heritage	82,267	40,763	(41,504)	50%
Intensification	85,720	46,434	(39,286)	54%
<u>Subdivision</u>				
Revision	7,246	4,300	(2,946)	59%
Phase Registration	24,568	2,163	(22,405)	9%
Cash in Lieu of Parking	2,794	-	(2,794)	0%
Landscape Plan Review	20,891	7,004	(13,887)	34%
Pre-Application Consultation (PAC)	2,640	1,287	(1,353)	49%
Design Review Panel (DRP)	4,595	-	(4,595)	0%
Street Naming	1,897	618	(1,279)	33%
Street Name Changes	1,897	206	(1,691)	11%
Street Numbering/Number Changes	990	515	(475)	52%

**Table 2**  
**2018 Planning Application Fees Modelling Impacts by Application/Surcharge Type**

<b>Application/Surcharge Type</b>	<b>2017 Planning Applications Fee Review - % Recovery</b>	<b>Additional Staff Resources Impact - % Recovery</b>
<b><u>Applications</u></b>		
Official Plan Amendment	65%	60%
Zoning By-Law Amendment	77%	73%
Part Lot Control	62%	59%
Interim Control By-law Amendment	126%	114%
Site Development	112%	105%
Condominium	60%	58%
Subdivision	40%	36%
Pre-Application Consultation	52%	49%
Street Naming/Numbering	57%	46%
<b><u>Surcharges</u></b>		
Landscape Plan Review	61%	34%
<b>Total Planning Applications</b>	<b>82%</b>	<b>76%</b>

## **1.2 Fee Structure Analysis**

The fee structure recommendations presented in Table 3 reflect the revisions to the 2017 Planning Applications Fee review recommendations to recover the additional application processing costs identified in subsection 1.1. In total, the recommended fee structure would produce \$2.4 million in additional revenue beyond 2017 budgeted fee revenues for planning applications.

Presented in Table 3 are the revised fee structure recommendations for planning application fees compared to the 2017 Planning Fees Review recommendations.

Table 3

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2018 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>SCHEDULE B DOCUMENTS &amp; INFORMATION</b>				
Major OP Amendment	Application	26,198	33,056	35,741
Major OP Surcharge (if application approved)	Application	6,607	8,337	9,014
Minor OP Amendment	Application	12,272	20,716	22,173
Minor OP Surcharge (if application approved)	Application	3,687	6,225	6,662
Revision to OP Application requiring recirculation	Application	4,300	4,300	4,300
<b>Zoning By-Law Amendment</b>				
<b>Residential</b>				
Base Fee	Application	6,819	8,096	8,096
Singles, Semis, Townhouses	Unit	561		
Multiple Unit Blocks	Unit	185		
Variable Per Unit Fee				
0-25 Unit	Unit		553	610
26-100 Unit	Unit		206	227
101-200 Unit	Unit		52	52
Greater than 200 Unit	Unit		26	26
VMC Surcharge	Application		14,806	14,806
Intensification Area Surcharge	Application		14,806	14,806
<b>Non-Residential</b>				
Base Fee	Application	6,819	8,096	8,096
Non-Residential Blocks	hectares	7,426	4,815	5,344
VMC Surcharge	Application		14,806	14,806
Intensification Area Surcharge	Application		14,806	14,806
<b>Mixed Use</b>				
Base Fee	Application	6,819	8,096	8,096
Mixed Use Blocks	hectares	7,426	7,238	8,863
VMC Surcharge	Application		40,556	40,556
Intensification Area Surcharge	Application		50,856	50,856
Private Open Spaces	hectares	3,713	3,713	3,713
Surcharge if Zoning Application is Approved	Application	3,409	3,409	3,409
Revision to Zoning Application Requiring Recirculation	Application	4,300	4,300	4,300
By-law to remove Holding Symbol (H)	Application	4,609	4,357	4,665
Interim Control By-Law Amendment	Application	5,196	4,126	4,571
Part Lot Control By-Law	Application	2,101	3,382	3,554

Table 3 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2018 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>Site Development Application</b>				
<b>Residential</b>				
Base Fee	Application	8,055	9,332	9,332
Residential: Singles, Semis, Townhouses	Unit	1,128		
Residential: Singles, Semis, Townhouses if previously paid in Subdivision application	Unit	752		
Residential: Multiple Unit	Unit	376		
Residential: Multiple Unit if previously paid in Subdivision application	Unit	247		
<u>Variable Per Unit Fee</u>				
0-25 Unit	Unit		683	740
26-100 Unit	Unit		342	370
101-200 Unit	Unit		239	259
Greater than 200 Unit	Unit		120	130
<u>Variable Per Unit Fee (Already Paid Subdivision Fee)</u>				
0-25 Unit	Unit		456	494
26-75 Unit	Unit		228	247
101-200 Unit	Unit		159	173
Greater than 200 Unit	Unit		80	86
VMC Surcharge	Application		4,506	4,506
Intensification Area Surcharge	Application		30,256	30,256
<b>Non-Residential</b>				
Base Fee	Application	8,055	9,332	9,332
Industrial/Office/Private Institutional	Sq. M.	2.30	2.41	2.72
Industrial/Office/Private Institutional: Portion of GFA over 4,500 sq.m.	Sq. M.	0.90	1.25	1.38
Commercial (Service, Retail Warehouse)	Sq. M.	7.40	7.89	8.89
Commercial (Service, Retail Warehouse): Portion of GFA over 4,500 Sq.M	Sq. M.	1.80	2.44	2.68
VMC Surcharge	Application		30,256	30,256
Intensification Area Surcharge	Application		30,256	30,256

Table 3 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2018 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>Mixed Use</b>				
Base Fee	Application	8,055	9,332	9,332
Residential: Singles, Semis, Townhouses	Unit	1,128		
Residential: Singles, Semis, Townhouses if previously paid in Subdivision application	Unit	752		
Residential: Multiple Unit	Unit	376		
Residential: Multiple Unit if previously paid in Subdivision application	Unit	247		
<u>Variable Per Unit Fee</u>				
0-25 Unit	Unit		208	216
26-75 Unit	Unit		66	67
101-200 Unit	Unit		26	26
Greater than 200 Unit	Unit		-	-
<u>Variable Per Unit Fee (Already Paid Subdivision Fee)</u>				
0-25 Unit	Unit		138	144
26-100 Unit	Unit		44	45
101-200 Unit	Unit		17	17
Greater than 200 Unit	Unit		-	-
Industrial/Office/Private Institutional	Sq. M.	2.30	2.36	2.90
Industrial/Office/Private Institutional: Portion of GFA over 4,500 sq.m.	Sq. M.	0.90	1.23	1.47
Commercial (Service, Retail Warehouse)	Sq. M.	7.40	7.74	9.50
Commercial (Service, Retail Warehouse): Portion of GFA over 4,500 Sq.M	Sq. M.	1.80	2.39	2.86
VMC Surcharge	Application		50,856	50,856
Intensification Area Surcharge	Application		50,856	50,856
Revision to Site Development Application requiring Recirculation	Application	4,300	4,300	4,300
Simple Revision to Site Development application not requiring recirculation or Council Approval	Application	4,022	4,022	4,022
Draft Plan of Condominium	Application	13,745	22,903	23,569
Condominium Common Element	Application	13,745	22,903	23,569

Table 3 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2018 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>Draft Plan of Subdivision</b>				
<b>Residential</b>				
Base Fee	Application	17,129	42,478	42,478
Singles, Semis, Townhouse Unit in Subdivision	Unit	288		
Multiple Unit Blocks in Subdivision	Unit	108		
Part Lots for Residential use in Subdivision	Part Lot	144	144	144
<b>Variable Per Unit Fee</b>				
0-25 Unit	Unit		850	1,054
26-100 Unit	Unit		443	527
101-200 Unit	Unit		133	158
Greater than 200 Unit	Unit		40	47
VMC Surcharge	Application		10,300	10,300
Intensification Area Surcharge	Application		30,900	30,900
<b>Non-Residential</b>				
Base Fee	Application	17,129	42,478	42,478
Non Residential Blocks in Subdivision	hectares	3,981	8,608	11,096
VMC Surcharge	Application		20,600	20,600
Intensification Area Surcharge	Application		20,600	20,600
<b>Mixed Use</b>				
Base Fee	Application	17,129	42,478	42,478
Mixed use Blocks in Subdivision	hectares	3,981	4,623	5,843
VMC Surcharge	Application		20,600	20,600
Intensification Area Surcharge	Application		10,300	10,300
Revision to Draft Approved Plan of Subdivision requiring Circulation	Application	4,300	6,848	7,246
Revision to Conditions of Draft Plan of Subdivision Approval	Application	4,300	4,300	4,300
Extension of Draft Plan of Subdivision	Application	2,148	2,148	2,148
Registration of Each Additional Phase of a Subdivision Plan	Application	2,163	3,126	3,126
OMB Appeals Administration Fee	Application	742	742	742
Maintenance Fee for Inactive Files	Application	489	489	489
Pre-Application Consultation	Application	1,287	1,287	1,287
Landscape Inspection	Surcharge	7,004	11,471	20,891
Heritage Review	Application	1,545	1,545	1,545

Table 3 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2018 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>SCHEDULE G DOCUMENTS &amp; INFORMATION</b>				
Base Map - Property Map (small)	Unit	6	6	6
Various Maps	Unit	12	12	12
Various Maps	Unit	19	19	19
Large Property Map, Proposed Subdivisions, Vaughan Street map	Unit	20	20	20
OP, Secondary Plan Maps	Unit	33	33	33
Topographic Maps	Unit	34	34	34
Employment Area	Unit	44	44	44
Address Change Application	Application	515	789	990
City of Vaughan Official Plan	Application	65	65	65
Zoning By-Law 1-88 - Part 1 (Text only)	Application	25	25	25
Zoning By-Law 1-88 - Part 2 (schedules)	Application	59	59	59
By-Law 1-88 Part 1 (Key Maps only)	Application	39	39	39
By-Law 1-88 CD version (includes parts 1&2)	Application	121	121	121
Heritage Permit	Application	515	515	515
Street Name Change	Application	258	1,548	1,897
Heritage Status Letter	Application	78	78	78
Custom Report	Application	644	644	644
Addresses Lot Through Consents	Application	515	515	515
New Addresses Subdivisions/Site Plans	Unit/Lot	39	39	39
New Road Names- Proposed Road Names	Application	773	1,548	1,897
New Road Names- Names from pre-approved list	Application	258	258	258
<b>FEES IN SCHEDULE A BY-LAW 396-2002</b>				
Landscape Inspection Fee (85% of \$475)		404	404	404
<b>OTHER FEES</b>				
Zoning By-Law Amendment Section 37	Surcharge	-	28,410	30,328
Cash in Lieu of Parking	Surcharge	-	4,000	4,000
<b>NEW FEES</b>				
Condominium (Vacant Land)	Application		22,903	23,569
Condominium (Phased, Leasehold, Amalgamated)	Application		22,903	23,569
Condominium Revision	Application		6,848	7,246

## 2. 2019 Staff Resource Impacts

### 2.1 Processing Effort Cost Allocation

The additional salary, wage and benefit costs of the additional FTE required in 2019 would be approximately \$111,000. The capacity utilization of the additional staff position has been modeled based on that of the Urban Designer position in the 2017 Planning Applications Fee

Review. Based on the results of the 2017 Planning Applications Fee Review, 90% of the position's costs would be recovered by planning applications. Including non-salary wage, and benefit direct costs and indirect costs, the total application processing costs related to this additional staff position would be approximately \$100,000.

Table 4 summarizes for planning applications the 2019 per application processing costs compared with per application revenues derived from the City's 2017 fee structure and the historical average application characteristics.

In comparison to the overall cost recovery levels presented in Table 2, the impact of adding one additional FTE in 2019 would lower the total cost recovery for planning applications from 76% to 75%.

**Table 4**  
**Revised 2019 Planning Fee Modeling Impact by Application Type (2017\$)**

Application/Surcharge Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<b>Planning Applications</b>				
<u>Official Plan Amendment</u>				
Major	44,959	32,806	(12,154)	73%
Minor	29,081	15,960	(13,122)	55%
<u>ZBA - Residential</u>				
Average	39,336	38,330	(1,006)	97%
Standard	33,653	31,911	(1,742)	95%
VMC	51,034	80,079	29,046	157%
Heritage	36,380	29,359	(7,021)	81%
Intensification	51,601	53,271	1,671	103%
<u>ZBA - Non-Residential</u>				
Average	37,696	44,056	6,360	117%
Standard	32,903	61,745	28,842	188%
VMC	47,133	72,885	25,752	155%
Heritage	34,780	10,774	(24,006)	31%
Intensification	47,718	50,551	2,832	106%
<u>ZBA - Mixed-Use</u>	-	-		
Average	56,080	30,837	(25,243)	55%
Standard	32,834	46,422	13,589	141%
VMC	71,846	39,645	(32,201)	55%
Heritage	51,065	16,584	(34,481)	32%
Intensification	71,263	19,335	(51,928)	27%
<u>ZBA - Section 37</u>	30,468	-	(30,468)	0%
Remove H Symbol	4,679	4,609	(70)	98%
Part Lot Control	3,550	2,101	(1,448)	59%
Interim Control By-law Amendment	4,560	5,196	637	114%
<u>Site Development - Residential</u>				
Average	52,629	77,915	25,286	148%
Standard	33,454	66,325	32,871	198%
VMC	98,456	201,324	102,868	204%
Heritage	58,147	55,220	(2,927)	95%
Intensification	70,594	65,111	(5,483)	92%
<u>Site Development - Non-Residential</u>				
Average	50,401	35,969	(14,432)	71%
Standard	32,615	34,430	1,815	106%
VMC	94,712	54,081	(40,630)	57%
Heritage	63,948	10,499	(53,449)	16%
Intensification	82,569	43,224	(39,345)	52%
<u>Site Development - Mixed Use</u>				
Average	64,848	87,304	22,456	135%
Standard	32,615	214,032	181,417	656%
VMC	94,712	177,422	82,711	187%
Heritage	63,948	110,952	47,004	174%
Intensification	82,569	93,267	10,698	113%

**Table 4 (Cont'd)**  
**Revised 2019 Planning Fee Modeling Impact by Application Type (2017\$)**

Application/Surcharge Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
<u>Condominium</u>				
Standard	23,601	13,745	(9,856)	58%
Common Element	23,507	13,745	(9,762)	58%
<u>Subdivision - Residential</u>				
Average	97,396	36,438	(60,958)	37%
Standard	94,000	41,452	(52,548)	44%
VMC	127,924	56,485	(71,439)	44%
Heritage	100,657	22,945	(77,713)	23%
Infill	109,195	25,125	(84,070)	23%
<u>Subdivision - Non-Residential</u>				
Average	87,213	29,495	(57,718)	34%
Standard	74,786	29,411	(45,375)	39%
VMC	103,565	32,067	(71,498)	31%
Heritage	83,541	29,761	(53,780)	36%
Intensification	86,961	26,742	(60,219)	31%
<u>Subdivision - Mixed Use</u>				
Average	87,208	42,366	(44,842)	49%
Standard	74,786	35,628	(39,158)	48%
VMC	103,565	46,618	(56,947)	45%
Heritage	83,521	40,764	(42,757)	49%
Intensification	86,961	46,454	(40,507)	53%
<u>Subdivision</u>				
Revision	7,282	4,300	(2,982)	59%
Phase Registration	24,552	2,163	(22,389)	9%
Cash in Lieu of Parking	2,790	-	(2,790)	0%
Landscape Plan Review	20,814	7,004	(13,810)	34%
Pre-Application Consultation (PAC)	2,635	1,287	(1,348)	49%
Design Review Panel (DRP)	4,805	-	(4,805)	0%
Street Naming	1,890	618	(1,272)	33%
Street Name Changes	1,890	206	(1,684)	11%
Street Numbering/Number Changes	986	515	(471)	52%

## 2.2 Fee Structure Analysis

Fee structure recommendations, in 2017\$, are provided in Table 5 incorporating the additional FTE in 2019.

Table 5

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2019 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>SCHEDULE B DOCUMENTS &amp; INFORMATION</b>				
Major OP Amendment	Application	26,198	33,056	35,904
Major OP Surcharge (if application approved)	Application	6,607	8,337	9,055
Minor OP Amendment	Application	12,272	20,716	22,362
Minor OP Surcharge (if application approved)	Application	3,687	6,225	6,719
Revision to OP Application requiring recirculation	Application	4,300	4,300	4,300
<b>Zoning By-Law Amendment</b>				
<b>Residential</b>				
Base Fee	Application	6,819	8,096	8,096
Singles, Semis, Townhouses	Unit	561		
Multiple Unit Blocks	Unit	185		
<u>Variable Per Unit Fee</u>				
0-25 Unit	Unit		553	613
26-100 Unit	Unit		206	227
101-200 Unit	Unit		52	52
Greater than 200 Unit	Unit		26	26
VMC Surcharge	Application		14,806	14,806
Intensification Area Surcharge	Application		14,806	14,806
<b>Non-Residential</b>				
Base Fee	Application	6,819	8,096	8,096
Non-Residential Blocks	hectares	7,426	4,815	5,380
VMC Surcharge	Application		14,806	14,806
Intensification Area Surcharge	Application		14,806	14,806
<b>Mixed Use</b>				
Base Fee	Application	6,819	8,096	8,096
Mixed Use Blocks	hectares	7,426	7,238	8,967
VMC Surcharge	Application		40,556	40,556
Intensification Area Surcharge	Application		50,856	50,856
Private Open Spaces	hectares	3,713	3,713	3,713
Surcharge if Zoning Application is Approved	Application	3,409	3,409	3,409
Revision to Zoning Application Requiring Recirculation	Application	4,300	4,300	4,300
By-law to remove Holding Symbol (H)	Application	4,609	4,357	4,679
Interim Control By-Law Amendment	Application	5,196	4,126	4,560
Part Lot Control By-Law	Application	2,101	3,382	3,550

Table 5 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2019 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>Site Development Application</b>				
<b>Residential</b>				
Base Fee	Application	8,055	9,332	9,332
Residential: Singles, Semis, Townhouses	Unit	1,128		
Residential: Singles, Semis, Townhouses if previously paid in Subdivision application	Unit	752		
Residential: Multiple Unit	Unit	376		
Residential: Multiple Unit if previously paid in Subdivision application	Unit	247		
<b>Variable Per Unit Fee</b>				
0-25 Unit	Unit		683	745
26-100 Unit	Unit		342	372
101-200 Unit	Unit		239	261
Greater than 200 Unit	Unit		120	130
<b>Variable Per Unit Fee (Already Paid Subdivision Fee)</b>				
0-25 Unit	Unit		456	496
26-75 Unit	Unit		228	248
101-200 Unit	Unit		159	174
Greater than 200 Unit	Unit		80	87
VMC Surcharge	Application		4,506	4,506
Intensification Area Surcharge	Application		30,256	30,256
<b>Non-Residential</b>				
Base Fee	Application	8,055	9,332	9,332
Industrial/Office/Private Institutional	Sq. M.	2.30	2.41	2.78
Industrial/Office/Private Institutional: Portion of GFA over 4,500 sq.m.	Sq. M.	0.90	1.25	1.41
Commercial (Service, Retail Warehouse)	Sq. M.	7.40	7.89	9.11
Commercial (Service, Retail Warehouse): Portion of GFA over 4,500 Sq.M	Sq. M.	1.80	2.44	2.73
VMC Surcharge	Application		30,256	30,256
Intensification Area Surcharge	Application		30,256	30,256

Table 5 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2019 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>Mixed Use</b>				
Base Fee	Application	8,055	9,332	9,332
Residential: Singles, Semis, Townhouses	Unit	1,128		
Residential: Singles, Semis, Townhouses if previously paid in Subdivision application	Unit	752		
Residential: Multiple Unit	Unit	376		
Residential: Multiple Unit if previously paid in Subdivision application	Unit	247		
<u>Variable Per Unit Fee</u>				
0-25 Unit	Unit		208	216
26-75 Unit	Unit		66	67
101-200 Unit	Unit		26	26
Greater than 200 Unit	Unit		-	-
<u>Variable Per Unit Fee (Already Paid Subdivision Fee)</u>				
0-25 Unit	Unit		138	144
26-100 Unit	Unit		44	45
101-200 Unit	Unit		17	17
Greater than 200 Unit	Unit		-	-
Industrial/Office/Private Institutional	Sq. M.	2.30	2.36	3.01
Industrial/Office/Private Institutional: Portion of GFA over 4,500 sq.m.	Sq. M.	0.90	1.23	1.52
Commercial (Service, Retail Warehouse)	Sq. M.	7.40	7.74	9.86
Commercial (Service, Retail Warehouse): Portion of GFA over 4,500 Sq.M	Sq. M.	1.80	2.39	2.96
VMC Surcharge	Application		50,856	50,856
Intensification Area Surcharge	Application		50,856	50,856
Revision to Site Development Application requiring Recirculation	Application	4,300	4,300	4,300
Simple Revision to Site Development application not requiring recirculation or Council Approval	Application	4,022	4,022	4,022
Draft Plan of Condominium	Application	13,745	22,903	23,561
Condominium Common Element	Application	13,745	22,903	23,561

Table 5 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2019 Revised Recommendations (2017\$)**

	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>Draft Plan of Subdivision</b>				
<b>Residential</b>				
Base Fee	Application	17,129	42,478	42,478
Singles, Semis, Townhouse Unit in Subdivision	Unit	288		
Multiple Unit Blocks in Subdivision	Unit	108		
Part Lots for Residential use in Subdivision	Part Lot	144	144	144
<b>Variable Per Unit Fee</b>				
0-25 Unit	Unit		850	1,097
26-100 Unit	Unit		443	548
101-200 Unit	Unit		133	165
Greater than 200 Unit	Unit		40	49
VMC Surcharge	Application		10,300	10,300
Intensification Area Surcharge	Application		30,900	30,900
<b>Non-Residential</b>				
Base Fee	Application	17,129	42,478	42,478
Non Residential Blocks in Subdivision	hectares	3,981	8,608	11,497
VMC Surcharge	Application		20,600	20,600
Intensification Area Surcharge	Application		20,600	20,600
<b>Mixed Use</b>				
Base Fee	Application	17,129	42,478	42,478
Mixed use Blocks in Subdivision	hectares	3,981	4,623	6,039
VMC Surcharge	Application		20,600	20,600
Intensification Area Surcharge	Application		10,300	10,300
Revision to Draft Approved Plan of Subdivision requiring Circulation	Application	4,300	6,848	7,282
Revision to Conditions of Draft Plan of Subdivision Approval	Application	4,300	4,300	4,300
Extension of Draft Plan of Subdivision	Application	2,148	2,148	2,148
Registration of Each Additional Phase of a Subdivision Plan	Application	2,163	3,126	3,126
OMB Appeals Administration Fee	Application	742	742	742
Maintenance Fee for Inactive Files	Application	489	489	489
Pre-Application Consultation	Application	1,287	1,287	1,287
Landscape Inspection	Surcharge	7,004	11,471	20,814
Heritage Review	Application	1,545	1,545	1,545

Table 5 (Cont'd)

**Comparison of Planning Application Fees Under the City's 2017 By-Law, 2017 Fee Review Recommendations and 2019 Revised Recommendations (2017\$)**

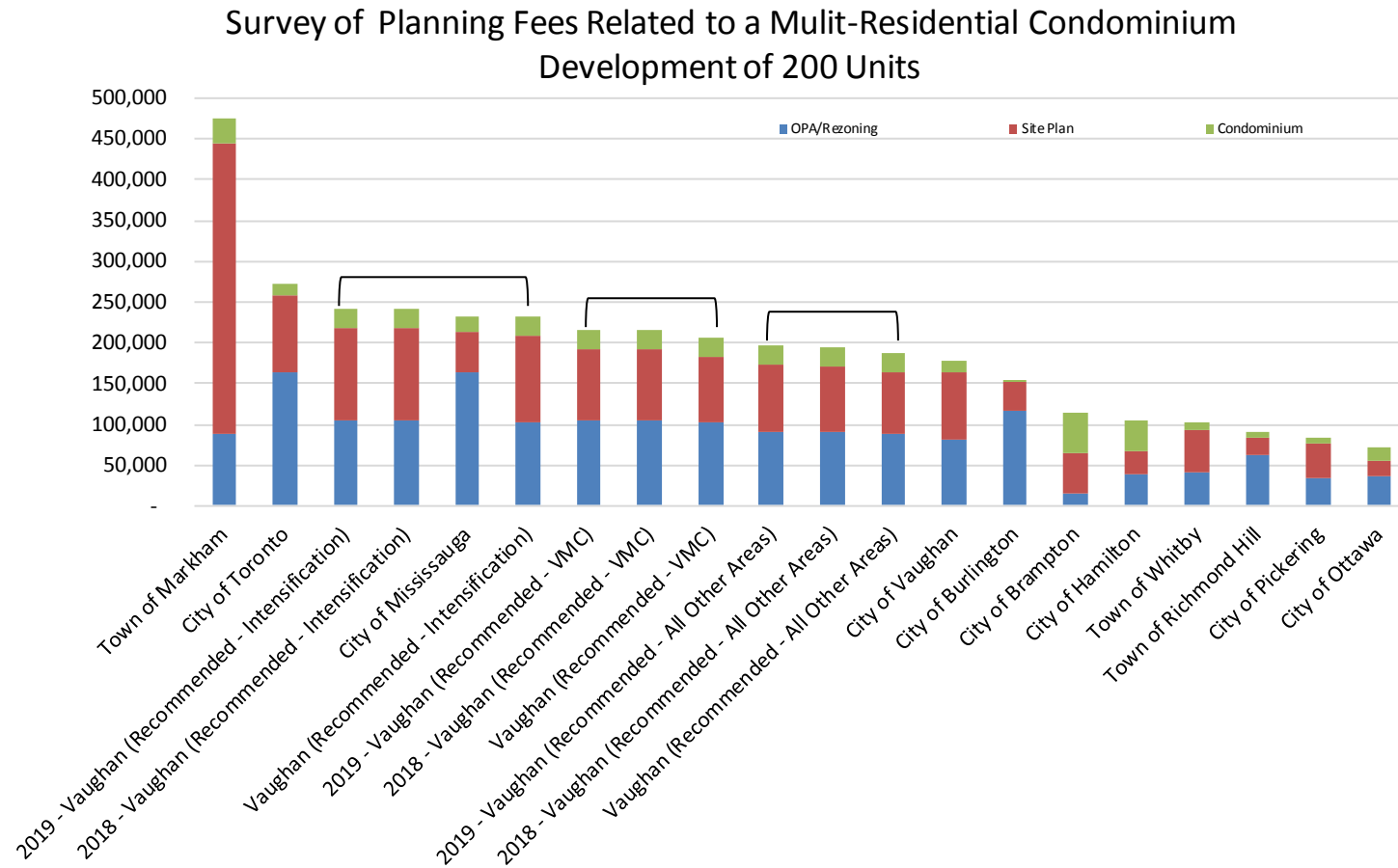
	Unit of Measure	2017 FEE / CHARGE	RECOMMENDED FEES / CHARGES 2017 PLANNING FEE REVIEW	RECOMMENDED FEES / CHARGES ADDITIONAL STAFF RESOURCE IMPACTS
<b>SCHEDULE G DOCUMENTS &amp; INFORMATION</b>				
Base Map - Property Map (small)	Unit	6	6	6
Various Maps	Unit	12	12	12
Various Maps	Unit	19	19	19
Large Property Map, Proposed Subdivisions, Vaughan Street map	Unit	20	20	20
OP, Secondary Plan Maps	Unit	33	33	33
Topographic Maps	Unit	34	34	34
Employment Area	Unit	44	44	44
Address Change Application	Application	515	789	986
City of Vaughan Official Plan	Application	65	65	65
Zoning By-Law 1-88 - Part 1 (Text only)	Application	25	25	25
Zoning By-Law 1-88 - Part 2 (schedules)	Application	59	59	59
By-Law 1-88 Part 1 (Key Maps only)	Application	39	39	39
By-Law 1-88 CD version (includes parts 1&2)	Application	121	121	121
Heritage Permit	Application	515	515	515
Street Name Change	Application	258	1,548	1,890
Heritage Status Letter	Application	78	78	78
Custom Report	Application	644	644	644
Addresses Lot Through Consents	Application	515	515	515
New Addresses Subdivisions/Site Plans	Unit/Lot	39	39	39
New Road Names- Proposed Road Names	Application	773	1,548	1,890
New Road Names- Names from pre-approved list	Application	258	258	258
<b>FEES IN SCHEDULE A BY-LAW 396-2002</b>				
Landscape Inspection Fee (85% of \$475)		404	404	404
<b>OTHER FEES</b>				
Zoning By-Law Amendment Section 37	Surcharge	-	28,410	30,468
Cash in Lieu of Parking	Surcharge	-	4,000	4,000
<b>NEW FEES</b>				
Condominium (Vacant Land)	Application		22,903	23,561
Condominium (Phased, Leasehold, Amalgamated)	Application		22,903	23,561
Condominium Revision	Application		6,848	7,282

### 3. Impact Analysis of Recommended Fee Structure

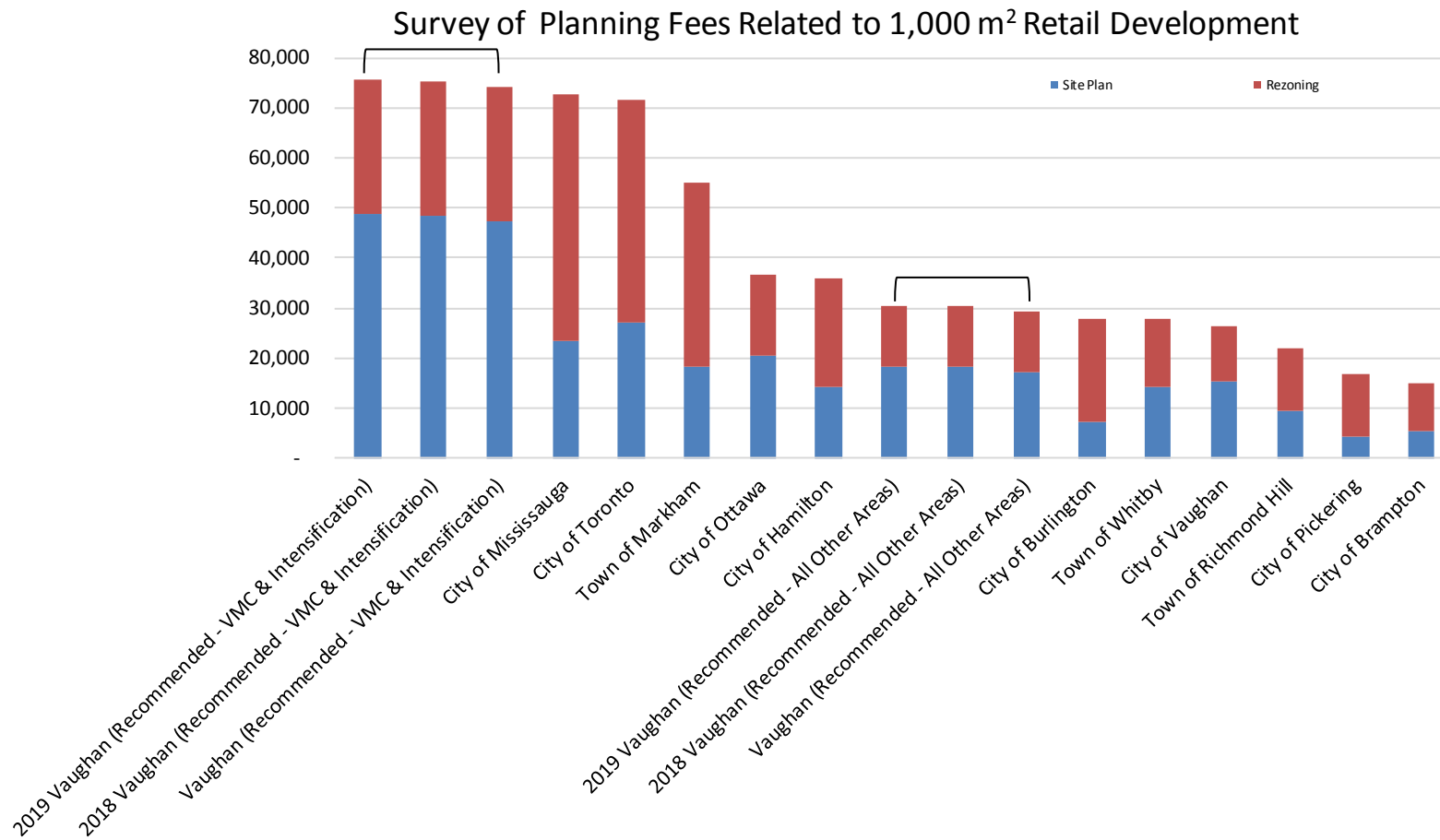
In order to understand the impacts of the revised full cost recovery planning application fee structure recommendations, the impact analysis for sample developments has been further revised to include the 2017 Planning Applications Fee Review recommendations, as well as the 2018 and 2019 revisions. The surveyed planning application fees for the select

development types shows that the 2018 and 2019 revisions do not materially change the City's overall placement relative to the 2017 Planning Application Fee Review results.

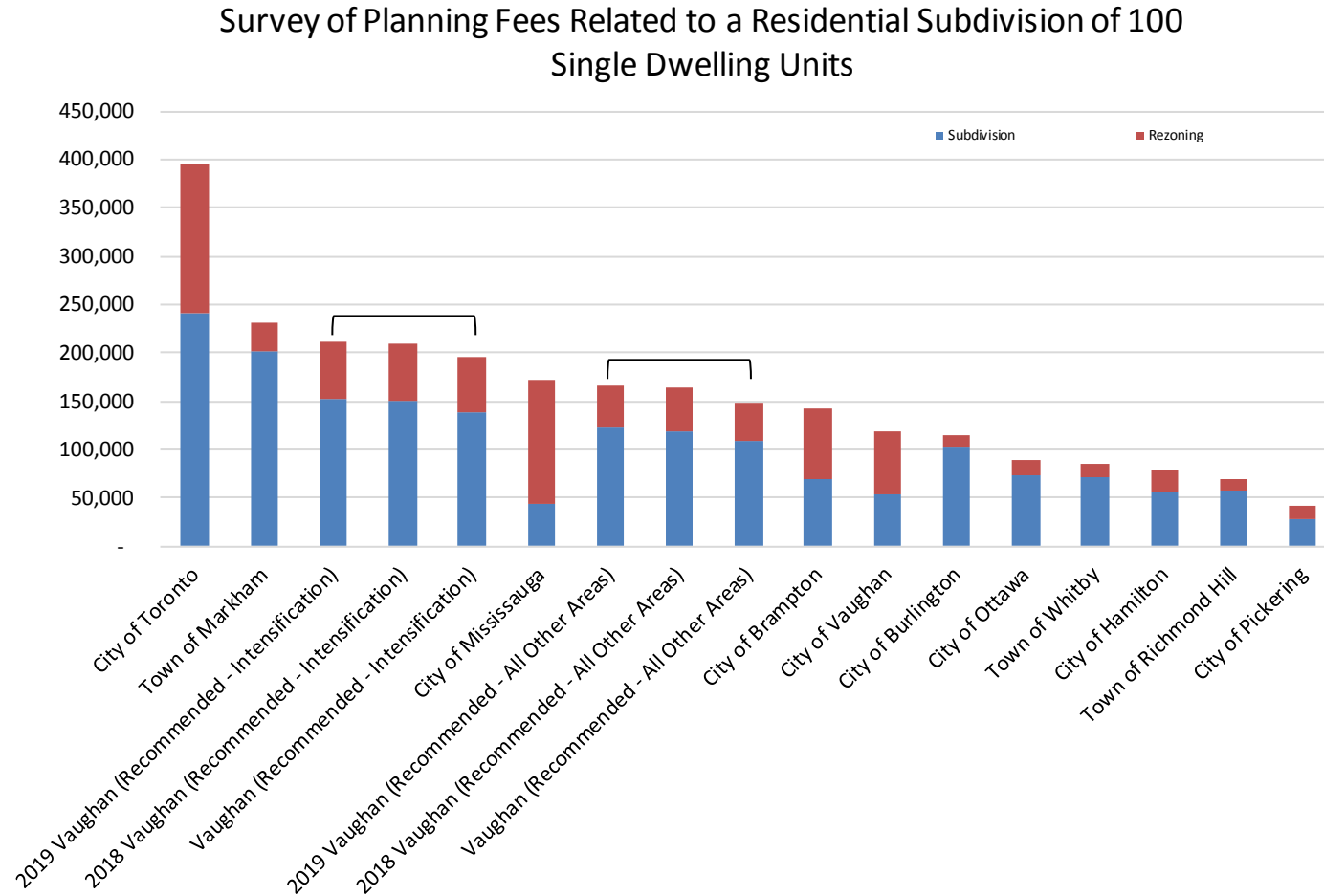
### 3.1 Multi-Residential Building (200 units) – OPA and Zoning By-law Amendment, Site Plan, and Draft Plan of Condominium Applications



### 3.2 Retail Building (1,000 sq.mt.) – Zoning By-law Amendment and Site Plan Applications

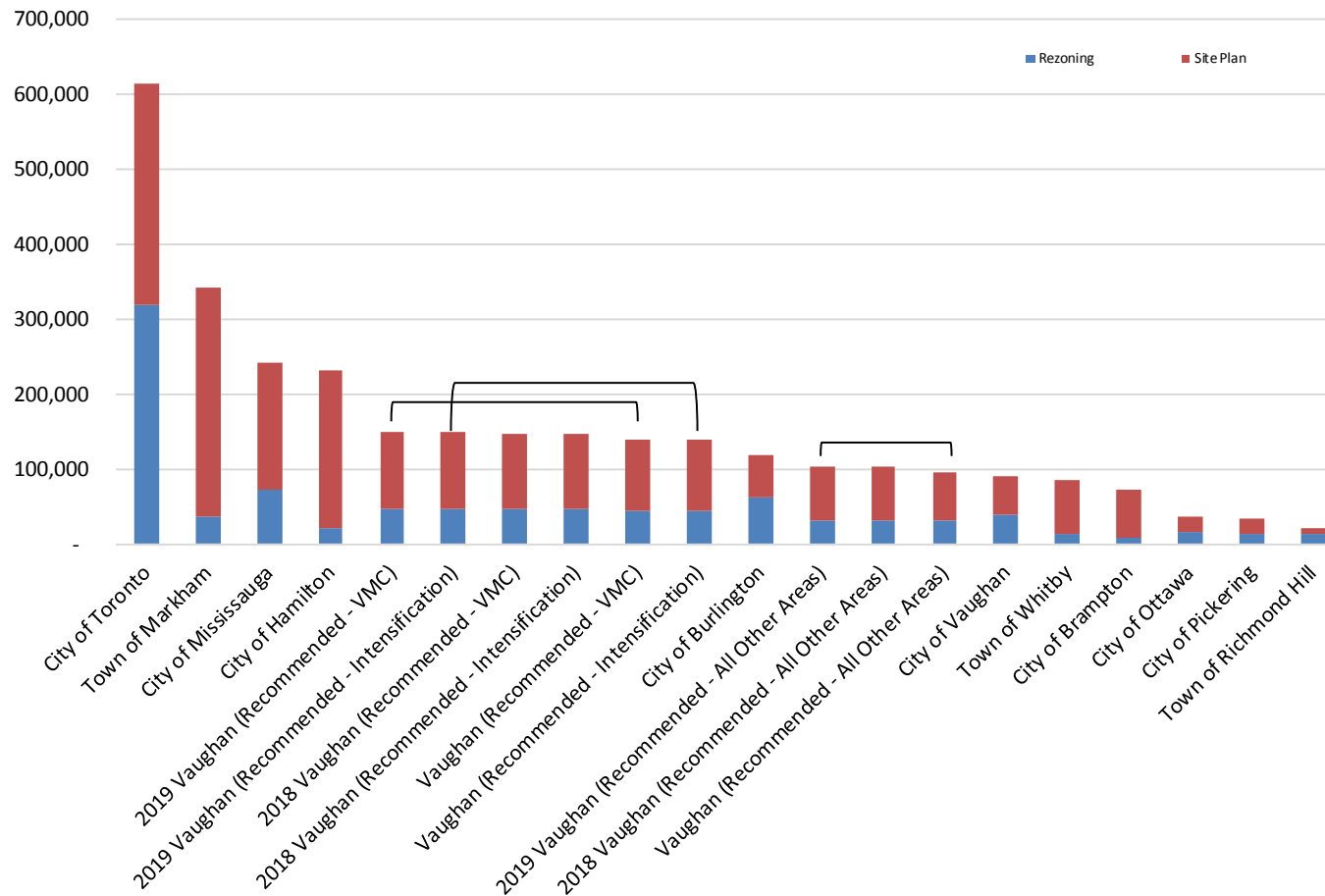


### 3.3 Residential Subdivision (100 units) –Zoning By-law Amendment and Draft Plan of Subdivision Application



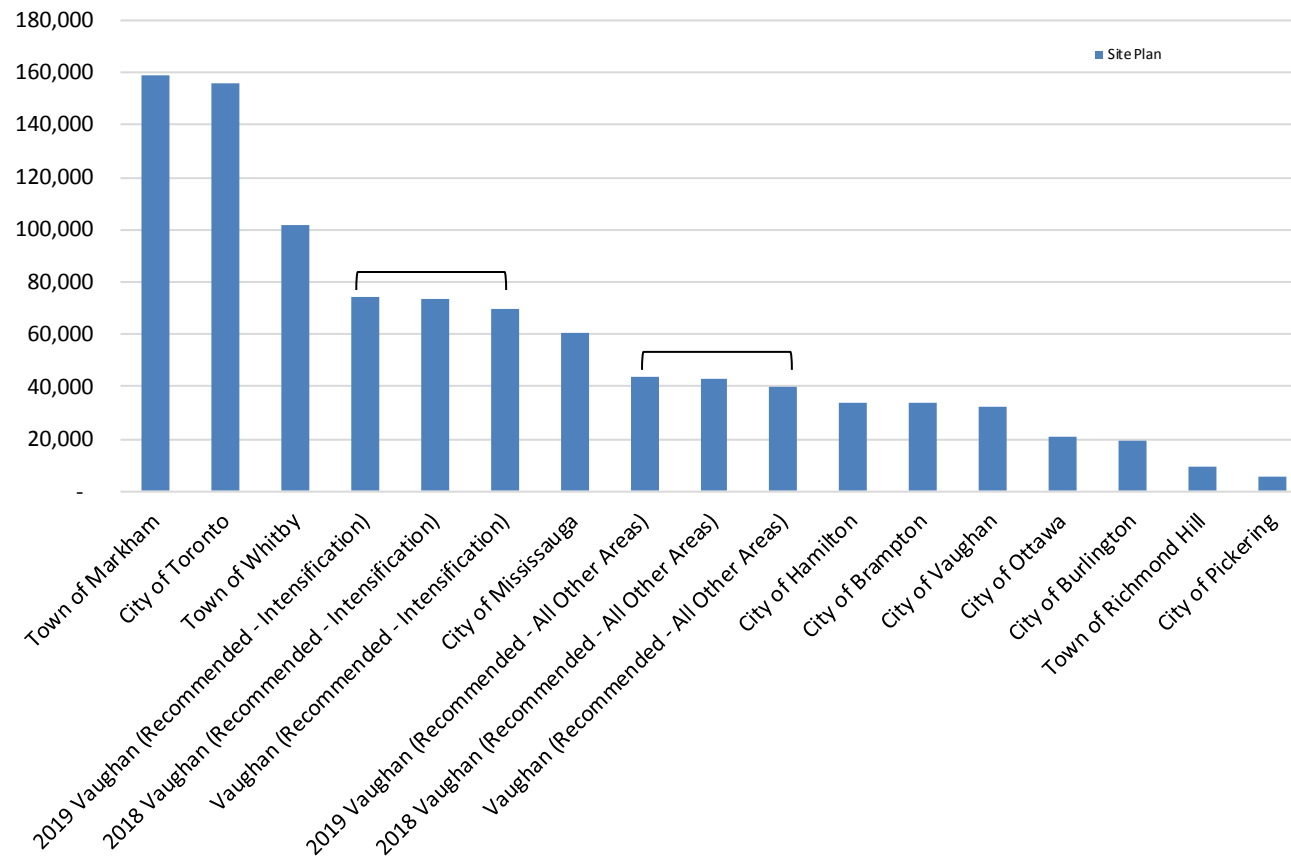
### 3.4 Office Building (40,000 sq.mt.) – Zoning By-law Amendment and Site Plan Application

Survey of Planning Fees Related to a 40,000 m<sup>2</sup> Office Development



### 3.5 Industrial Building (20,000 sq.mt.) – Site Plan Application

Survey of Planning Fees Related to Industrial Development (20,000 m<sup>2</sup>)





**BUILDING A GREATER GTA**  
Building Industry and Land  
Development Association

## Attachment #3

June 8, 2017

John Mackenzie  
Deputy City Manager  
City of Vaughan  
2141 Major Mackenzie Drive  
Vaughan, ON  
L6A 1P7

Dear Mr. Mackenzie,

**RE: City of Vaughan Development Planning Fees & Charges Review**

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*With more than 1,450 member-companies, the Building Industry and Land Development Association is the voice of the land development, home building and professional renovation industry in the Greater Toronto Area. Our industry is essential to the Region's long-term economic strength and prosperity. In 2016 alone, the residential construction industry in York Region generated over 42,000 on-site and off-site jobs in new home building, renovation and repair – one of the County's largest employers. These jobs paid \$2.5 billion in wages and contributed \$7.5 billion in investment value to the local economy.*

On behalf of the York Chapter members of the Building Industry and Land Development Association (BILD), we would like to take this opportunity to thank you for engaging with the development industry on the City of Vaughan's Development Planning & Charges Review at your consultation meeting on May 29, 2017.

As a preliminary comment, BILD was advised by its members that they felt that during the engineering review, although much consultation took place, the comments made by the development industry were not incorporated into the final proposal. We hope to have a more iterative process this time and we trust that you will take this letter into thoughtful consideration.

BILD members have thoughtfully reviewed the proposed planning applications fees with its members, and we would like to take this opportunity to provide the following preliminary comments for your consideration on behalf of the BILD York Chapter:

- The final report to Council should clearly state/acknowledgment the processing timelines associated to each application and provide some assurance that the turn-around time for processing these applications will be met. Fees are going up but service level standards remain constant. There should be a clear correlation between the two.
- The City should ensure that there is no duplication of fees being collected for staff resources from Planning and the other service areas.
- Staff training should increase in an effort to reduce application processing timelines, especially with new staff members.
- Some staff time should be subsidized by the residential tax-base, especially with respect to responding to inquiries from the public.
- Additionally, information is needed to fully understand the breakdown of what these fees are covering, specifically with respect to the surcharges for zoning by-law amendments S. 37 and CIL of parking.

20 Upjohn Rd, Suite 100  
North York, ON M3B 2V9

Tel: 416.391.3445  
Fax: 416.391.2118

[www.gthba.ca](http://www.gthba.ca)

### Attachment #3

- Consider incorporating a fee cap in the proposed fee schedule.
- Finally, there are missing rows in the fees schedule, where a variable per unit fees apply from the 75-100 unit range. Please revise accordingly.

We acknowledge that City staff are planning to present the study findings and proposed fee schedule for Council consideration and approval in September, with the intent on having a new fee structure in place on January 1, 2018. We kindly request notification, should this timeline change in any way.

We look forward to additional consultation with you on this and other matters of mutual interest. If you require any further information, please feel free to contact the undersigned.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Danielle Chin'.

Danielle Chin, MCIP, RPP  
Senior Manager, Policy & Government Relations BILD

CC: *Michael Pozzebon, BILD York Chapter Chair*  
*BILD York Chapter Members*

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## Memorandum

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Date: June 26, 2017

To: Danielle Chin, Senior Manager, Policy & Government Relations  
Building Industry and Land Development Association (BILD)

Re: Planning Application Fees and Charges Review – Development Industry  
Consultation

On May 29<sup>th</sup>, 2017 Watson and Associates Economists Ltd. (Watson) presented to the York Chapter of BILD the Planning Application Fees and Charges Review Study findings that underlie the resulting proposed fee structure. BILD Executive and York Chapter Members identified areas requiring further clarification. The purpose of this memorandum is to provide additional information regarding the proposed fee structure.

**The proposed planning fee review is consistent with Council's Fiscal Framework Guiding Principles for cost recovery**

The purpose of the study was to undertake a review of the full costs of processing development applications and to make fee structure recommendations in order for the City to provide for reasonable full cost recovery pursuant to the *Planning Act*. The study methodology involved developing an activity based costing model to quantify the full costs of planning services.

The approach to full cost recovery for fees is aligned with Council's Fiscal Framework Guiding Principles and ensures that the City is effectively managing its long term financial sustainability. The review has identified that the City's current fee structure is recovering only 82% of the anticipated costs of processing planning applications and 61% of the costs of processing Committee of Adjustment applications. The remaining balance of costs have been subsidized by property taxation. The proposed fee structure would eliminate the property tax subsidy and appropriately recover the balance of costs from the user fee base.

### Services

- |  |  |   |   |
|--|--|---|---|
| ▪ Demographics, Pupil Forecasting, Industrial/Commercial Forecasts | ▪ Development/Education Development Charge Policy  | ▪ Financial Analysis of Municipal Restructuring Options | ▪ Fiscal Impact of Development                          |
| ▪ Land Needs and Market Studies                                    | ▪ Long Range Financial Planning for Municipalities | ▪ Municipal Management Improvement                      | ▪ O.M.B. Hearings – Financial, Market, Demographic      |
| ▪ School Board Planning and Financing                              | ▪ Servicing Cost Sharing                           | ▪ Tax Policy Analysis                                   | ▪ Waste Management Rate Setting, Valuation and Planning |

**This is the first planning fee review in nine years**

The application review processes considered were based on current practices which have changed since the previous fee review undertaken nine years ago.

**The results of the planning fee review are comparable with other GTA municipality cost recovery levels and fees**

The fee structure review demonstrates that the application fees proposed under the recommended fee structure would be comparable to those in other GTA municipalities for the sample developments surveyed. Furthermore, the utilization of staff on application processing activities is consistent with that of comparable municipalities.

**1. May 29, 2017 Industry Consultation Discussion Summary**

During the presentation and meeting, a number of questions and comments were posed by attendees which were responded to by Watson and City staff. The questions/comments that were received are summarized below with a written response provided. The City also received a follow-up letter dated June 8, 2017 from BILD containing additional questions/comments that are also responded to herein.

**1. Did the review consider economies of scale?**

Economies of scale in processing activities by application type were considered as part of the review. The proposed fee structure includes variable per unit fees that are imposed on a declining block structure to reflect these witnessed economies of scale. This structure recognizes that, for some application types, the marginal costs of processing activities decreases as application size increases.

**2. Was a cap considered for the fees?**

The proposed fees have been designed to recover the average costs of processing applications and with no maximum fee ('cap') limit to meet Council's Fiscal Framework of full cost recovery. This reflects the increased costs associated with larger applications, although on a declining basis, with no witnessed cost ceiling.

**3. Were the recent changes to the OMB considered as part of this review?**

The background work for the study was completed prior to the announced proposed changes to the OMB. The exact changes resulting from Bill 139 can only be determined once the legislation and regulations are finalized. The planning application fees are based on the anticipated costs of processing activities currently provided by the City. Any resultant changes to the City's application approvals process will be monitored and captured in future updates to the City's fee structure. Furthermore, time spent preparing for and defending applications at the OMB does not fall within the definition of "processing" and has not been considered as part of the planning application cost recovery.

**4. Are there any duplication in fees when considering both the Development Engineering and Infrastructure Planning (DEIP) and Development Planning fee review?**

There was no duplication of fees during both the DEIP and Planning Applications fee review processes. Total staff utilization was measured across DEIP fee review processes, Planning Application fee review process, Building Permit processes, and other activities not recovered through fees. For example, activities not recovered through development fees include policy review and matters related to OMB appeals. This was done to ensure that there was no double counting of staff time and that the time included in the calculation of the fees was reasonable considering staff's total available capacity.

**5. You state that fees for reviewing VMC projects are significantly higher due to complexity. Can the approval process be reviewed? The City is dealing with new issues (e.g. strata, Section 37) Is this "learning curve" adding to the time required to process an application and are the developers paying for this? If fees are higher in VMC, are we getting dedicated resources? The level of service appears to be the same.**

The VMC is subject to a specific Project Management Team that is unique to the City. Dedicated staff are used to the greatest degree possible to expedite applications in the VMC. These applications are complex due to the integration of individual sites with adjacent lands in order to coordinate the build out of the VMC. Protocols for transit agency and government agency review are present in the VMC that are not present elsewhere in the City or to the same degree. These applications take more time to process due to the fact that they are relatively larger in size, and typically require increased involvement from the Design Review Panel, Design Advisory Group, Strategic Advisory Team, include a requirement for additional analysis such as 3D modeling, wind and shadow analysis, high design expectations for the public realm, density transfers, infrastructure requirements, and involve increased circulation to external agencies such as the TTC, YRRT, MTO, IO, and NAV Canada. The analysis demonstrated that the fees remain comparable to other municipalities.

**6. Could milestones be attached to the fee structure?**

The fees that have been calculated are reflective of processing times, and do not reflect an assessment of turnaround times. This is reflective of industry standards. Furthermore, there are external factors beyond the City's control that would prevent attaching fees to processing milestones. In addition, the administrative burden related to collecting multiple fees throughout the process would be inefficient and presumably more costly for applicants.

**7. When looking at draft plan of subdivision numbers per unit there is 0-25, 26-75 and 101-200 units. Where is 76-100? Why is it missing?**

The per unit fee structure should have read 0-25, 26-100, and 101-200. This has since been corrected in the proposed fee structure.

- 8. When looking at the 100-unit subdivision development example, it implies that 750-1,000 hours of work are spent by staff in processing. We don't believe we are getting this many hours of service. This fee is almost the same fee that an applicant will pay their consultant which does not make sense.**

As discussed in the response to question #4 above, through the study process staff time estimates and application volumes have been measured relative to available resource capacity, with consideration for all non-planning application processing activities for which staff is involved. The level of staff resource utilization is within available resource limits and comparable to levels of utilization witnessed in other municipalities. For example, the total staff utilization of the Development Planning and Policy Planning and Environmental Sustainability departments on processing planning applications has been calculated at 60%. This level of staff utilization is consistent with that witnessed in other GTA municipalities.

Moreover, the presentation to the development industry included a survey of planning application fees in comparator municipalities. Based on the survey results, the fees imposed for a 100-unit subdivision in the City would be comparable to those in Brampton and Mississauga, and less than those in Markham and Toronto. Based on the foregoing, the processing estimates are reasonable in our opinion.

- 9. It appears there is a correlation regarding increased fees to increased timelines. The frustration is that the industry feels that timelines are not getting any quicker and more review time is required.**

Overall timelines are often subject to factors beyond the City's control including: the quality of applications submitted; incomplete submissions; disputes between landowners; time the Owner takes to respond to comments; increased regulatory requirements (e.g. water balance); appeals; and increased community participation for infill/intensification applications that result in increased engagement with the community (i.e. community meetings, education, negotiation, information sharing, etc.). It is our opinion that these factors are issues separate from the underlying processing activities for which the fees are determined.

- 10. You have a January 1, 2018 implementation date. If I submit the registration of additional phases after January 1, 2018 will I have to pay under the new fee structure?**

Application fees will be payable in accordance with the fee by-law in-effect at the time of registration.

- 11. Have the block plan fees been blended into fees?**

Further to the response to question #4 above, staff time processing Block Plans and Secondary Plans was considered and has not been included within the fees for other application types. These fees have not been the focus of this review and are proposed to remain unchanged from current application fees. Staff will review whether changes

may be required in the future upon the outcome of the MCR and incorporation of changes resulting from new legislation and updated regulations.

**12. Can you explain the increased fee for additional phases for registration?**

The fee for the registration of additional subdivision phases is based on the underlying processing effort estimations. A review of similar fees charged by other surrounding municipalities was conducted to assess this fee for reasonableness. The review identified that similar fees charged by a number of surrounding municipalities are lower. To ensure reasonableness and to reflect the concerns raised by BILD, the City will be revising the recommended fee for this application type from \$23,097 to \$3,126.

**13. Are there detailed time and resource allocations for these breakdowns in final report to Council?**

The final report to Council will include the average cost recovery per application fee based on the underlying effort assumptions and the fees currently imposed.

**14. Will there be definitions added to the fee by-law?**

Yes, the final report and by-law will include definitions for Infill Development, Intensification Areas and the VMC.

**15. Can you merge both DEIP and Development Planning fees into one schedule so that we can see all the costs in one fee related to applications?**

The fees of each Department are established in separate by-laws. A convenience information sheet can be prepared to provide this information in one source document.

**16. Is Infill considered the same as Intensification?**

Infill will include projects outside of designated VOP Intensification Areas and will be defined within the final report and by-law.

**17. Will fees be increased year over year or will they be frozen?**

Consistent with the City's past practice, fees will be subject to annual cost of living increases.

**18. Can you explain the new fees?**

The proposed planning application fees presented in Table 1 under the heading of "New Fees" are for Condominium application types not currently identified in the City's by-law. These fees are based on the results of the planning application fees review for similar application types.

**19. Can you explain the Section 37 fee?**

The application fee represents the process time of City staff (Planning, Legal, Real Estate, Parks, Urban Design, etc.) and documentation (e.g. Section 37 agreement, Land Appraisals, public art installations, etc.) and negotiation required to process an application subject to Section 37. These negotiations to date have included extensive negotiations to resolve issues and reconcile appraisals resulting in the recommended fee.

**20. Can you provide a list of which VMC projects were taken into consideration that you say are so complex?**

The complexity of VMC applications is based on the processing activities as described in the response to question #5 above. When designing the proposed fees, the average size of past applications within the VMC was considered. The fees reflected the typical size characteristics of applications. The Met Residences Corp and Calloway REIT (Sevenbridge) Inc. are examples of VMC projects taken into consideration.

**21. Is the City operating at a deficit?**

Based on the anticipated costs of processing and the mix of applications for which the City's 2017 budget is based on, the City's current fee structure is not recovering the full cost of processing applications. A portion of application processing costs are currently being subsidized from property taxation, which is inconsistent with Council's mandate of full cost recovery.

**22. What stakeholder recommendations provided during the DEIP consultation were taken into account in the final product?**

There were several considerations/comments implemented to the DEIP fees as a result of the initial Stakeholder Forum held on March 24, 2016.

During the initial Stakeholder Forum, the following considerations/comments were heard from the owners and BILD:

- 1) Phase in fee over one year
- 2) Charging of fee from retroactive clause signed in agreements after April 1st 2015 – how will this occur?
- 3) Is retroactive clause only for the 7.5% or for the site plan per unit fees as well?
- 4) Capping the site plan fees for large industrial or condo – what is threshold?
- 5) When are site plan fees charged?

The above considerations were reviewed by staff and Watson, immediately following the forum. A follow up meeting was held on April 19, 2016 with key owners, through BILD, to address the considerations raised at the forum. The following considerations were recognized and ultimately formed the final Development Fee Review which was endorsed by BILD and approved by City Council:

- 1) a) Phased in fee was implemented over a 6-month period (to end of 2016). A 5.5% fee was introduced for agreements that included the retroactive clause – letters were sent from our Finance Department to all owners that had an active agreement (i.e. not assumed) and that included the retroactive clause - payment of the fee was to be made within 60 days. A further phased-in fee of 6.5% was introduced for agreements before the end of 2016. Agreements initiated after January 1st, 2017 were charged the full fee of 7.5%.  
  
b) Lot grading fees and the site plan complex fees were reduced by approximately 13% until the end of 2016 to satisfy the phased-in fee request.
- 2) Charging of the fee from retroactive clauses was undertaken via a letter from our Finance Department to the owners.
- 3) Retroactive fees were only charged to owners that entered into an agreement with the retroactive clause in the agreement.
- 4) A hybrid cap was introduced which included a discount of 50% of the site plan complex fee for the units/area that exceeded certain thresholds. 50% reduction in the ICI Site Plan Complex fee for the portion of area (sq.m) over 50,000 sq.m., 50% reduction in the singles/semis/towns complex site plan fee for the portion of the unit count over 100 units and 50% reduction in the multiple units complex site plan fee for the portion of the unit count over 300 units.
- 5) Site Plan fees are charged at the second submission stage of the site plan application.

## **2. June 8, 2017 letter from BILD to the City of Vaughan**

1. **The final report to Council should clearly state/acknowledge the processing timelines associated to each application and provide some assurance that the turn-around time for processing these applications will be met. Fees are going up but service level standards remain constant. There should be a clear correlation between the two.**

As discussed in the responses to items #6 and #9 above in Section 1, the fees have been calculated based on times to process applications and do not represent a change in the current level of service.

2. **The City should ensure that there is no duplication of fees being collected for staff resources from Planning and the other service areas.**

See response to item #4 in Section 1 above.

3. **Staff training should increase in an effort to reduce application processing timelines, especially with new staff members.**

Planning application fees are reviewed periodically to ensure that fees reflect the anticipated costs of processing. City initiatives impacting processing costs, such as increased staff training, would be considered at that time.

4. **Some staff time should be subsidized by the residential tax-base, especially with respect to responding to inquiries from the public.**

Through the DEIP fee review and Planning Application fee review, it has been identified that approximately 65% of Development Planning and Policy Planning and Environmental Sustainability departments staff has been included in the cost recovery of DEIP, Planning and COA fees. The remaining 35% of staff time would be funded through other non-development fee sources (i.e. tax base).

5. **Additionally, information is needed to fully understand the breakdown of what these fees are covering, specifically with respect to the surcharges for Zoning By-law Amendments Section 37 and Cash-In-Lieu of parking.**

Zoning By-law Amendment Section 37 applications are described in the response to item #19 above.

6. **Consider incorporating a fee cap in the proposed fee schedule.**

See response to item #2 in Section 1 above.

7. **There are missing rows in the fees schedule, where a variable per unit fees apply from the 75-100 unit range. Please revise accordingly.**

See response to item #7 in Section 1 above.

**Proposed Tariff of Fees for Vaughan Planning Applications 2018, Including Impact of Addition Resource Requests in 2018 & 2019**

TARIFF OF FEES FOR VAUGHAN PLANNING APPLICATIONS					
Application Type / Service		Unit of Measure	2018 Fees	2018 - Additional Staff Resource Fee Impacts	2019 - Additional Staff Resource Fee Impacts*
<b>OFFICIAL PLAN AMENDMENT APPLICATION</b>					
Major Official Plan Amendment Base Fee <sup>8</sup>		Application	\$34,048	\$36,813	\$36,813
Major Official Plan Surcharge (if application approved)		Application	\$8,581	\$9,284	\$9,284
Minor Official Plan Amendment Base Fee <sup>7</sup>		Application	\$21,337	\$22,838	\$22,838
Minor Official Plan Surcharge (if application approved)		Application	\$6,412	\$6,862	\$6,862
Revision to Official Plan Application requiring recirculation <sup>9</sup>		Application	\$4,429	\$4,429	\$4,429
<b>ZONING BY-LAW AMENDMENT APPLICATION</b>					
Residential	Singles, Semis, Townhouses (includes street, common element, stacked, back-to-back), Apartment, and Condominium Unit				
	Base Fee	Application	\$8,339	\$8,339	\$8,339
	Per Unit Fee				
	0-25 Units	Unit	\$570 / unit	\$628 / unit	\$631 / unit
	26-100 Units	Unit	\$212 / unit	\$234 / unit	\$234 / unit
	101-200 Units	Unit	\$54 / unit	\$54 / unit	\$54 / unit
	Greater than 200 Units	Unit	\$26 / unit	\$28 / unit	\$28 / unit
	VMC Surcharge only VMC? Not intensification/infill <sup>10</sup>	Application	\$15,250	\$15,250	\$15,250
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$15,250	\$15,250	\$15,250
Non-Residential	Base Fee	Application	\$8,339	\$8,339	\$8,339
	Non-Residential Blocks	hectares	\$4,960 or \$0.49/m <sup>2</sup>	\$5,504 or \$0.55/m <sup>2</sup>	\$5,541 or \$0.55/m <sup>2</sup>
	VMC Surcharge <sup>10</sup>	Application	\$15,250	\$15,250	\$15,250
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$15,250	\$15,250	\$15,250
Mixed-Use	Base Fee	Application	\$8,339	\$8,339	\$8,339
	Mixed Use Blocks <sup>5,6</sup> (If residential use proposed, per unit fee applies)	hectares	\$7,455 or \$0.74/m <sup>2</sup>	\$9,129 or \$0.91/m <sup>2</sup>	\$9,236 or \$0.92/m <sup>2</sup>
	VMC Surcharge <sup>10</sup>	Application	\$41,773	\$41,773	\$41,773
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$52,382	\$52,382	\$52,382
Other	Private Open Spaces	Hectares	\$3,824	\$3,824	\$3,824
	Zoning By-law Surcharge (if Zoning Amendment Application is Approved)	Application	\$3,511	\$3,511	\$3,511
	Revision to Zoning Amendment Application Requiring Recirculation <sup>9</sup>	Application	\$4,429	\$4,429	\$4,429
	By-law to remove Holding Symbol (H)	Application	\$4,488	\$4,805	\$4,819
	Interim Control By-Law Amendment	Application	\$4,250	\$4,708	\$4,697
	Part Lot Control By-Law	Application	\$3,483	\$3,661	\$3,661
	Section 37 Agreement Surcharge	Agreement	\$29,263	\$31,238	\$31,382
	Cash in Lieu of Parking	Agreement	\$4,120	\$4,120	\$4,120
	Class 4 Designation	Application	\$4,488	\$4,805	\$4,819
<b>SITE DEVELOPMENT APPLICATION</b>					
Residential	Singles, Semis, Townhouses (includes street, common element, stacked, back-to-back), Apartment, and Condominium Unit				
	Base Fee	Application	\$9,612	\$9,612	\$9,612
	Per Unit Fee				
	0-25 Unit	Unit	\$704 / unit	\$762 / unit	\$767 / unit
	26-100 Unit	Unit	\$352 / unit	\$381 / unit	\$383 / unit

**Proposed Tariff of Fees for Vaughan Planning Applications 2018, Including Impact of Addition Resource Requests in  
2018 & 2019**

TARIFF OF FEES FOR VAUGHAN PLANNING APPLICATIONS					
Application Type / Service		Unit of Measure	2018 Fees	2018 - Additional Staff Resource Fee Impacts	2019 - Additional Staff Resource Fee Impacts*
<b>SITE DEVELOPMENT APPLICATION (CONTINUED)</b>					
	101-200 Unit	Unit	\$246 / unit	\$267 / unit	\$269 / unit
	Greater than 200 Units	Unit	\$124 / unit	\$134 / unit	\$134 / unit
	VMC Surcharge <sup>10</sup>	Application	\$4,641	\$4,641	\$4,641
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$31,164	\$31,164	\$31,164
Residential (Already Paid Subdivision Fee)	Base Fee	Application	\$9,612	\$9,612	\$9,612
	Per Unit Fee				
	0-25 Units	Unit	\$470 / unit	\$508 / unit	\$510 / unit
	26-75 Units	Unit	\$235 / unit	\$254 / unit	\$255 / unit
	101-200 Units	Unit	\$164 / unit	\$179 / unit	\$179 / unit
	Greater than 200 Units	Unit	\$82 / unit	\$89 / unit	\$90 / unit
	VMC Surcharge <sup>10</sup>	Application	\$4,641	\$4,641	\$4,641
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$31,164	\$31,164	\$31,164
Non-Residential	Base Fee	Application	\$9,612	\$9,612	\$9,612
	Industrial/Office/Private Institutional	100 m <sup>2</sup>	\$2.48	\$2.80	\$2.86
	Industrial/Office/Private Institutional: Portions over 4,500m <sup>2</sup> GFA	100 m <sup>2</sup>	\$1.29	\$1.4	\$1.45
	Commercial (Service, Retail Warehouse)	100 m <sup>2</sup>	\$8.13	\$9.16	\$9.38
	Commercial (Service, Retail Warehouse): Portions over 4,500 m <sup>2</sup> GFA	100 m <sup>2</sup>	\$2.51	\$2.76	\$2.81
	VMC Surcharge <sup>10</sup>	Application	\$31,164	\$31,164	\$31,164
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$31,164	\$31,164	\$31,164
Mixed-Use	Base Fee	Application	\$9,612	\$9,612	\$9,612
	Per Unit Fee				
	0-25 Units	Unit	\$214 / unit	\$222 / unit	\$222 / unit
	26-75 Units	Unit	\$68 / unit	\$69 / unit	\$69 / unit
	101-200 Units	Unit	\$27 / unit	\$27 / unit	\$27 / unit
	Greater than 200 Units	Unit	-	-	-
	Per Unit Fee (Already Paid Subdivision Fee)				
	0-25 Units	Unit	\$142 / unit	\$148 / unit	\$148 / unit
	26-100 Units	Unit	\$45 / unit	\$46 / unit	\$46 / unit
	101-200 Units	Unit	\$18 / unit	\$18 / unit	\$18 / unit
	Greater than 200 Units	Unit	-		
	Industrial/Office/Private Institutional	Per 100 m <sup>2</sup>	\$2.43	\$2.99	\$3.10
	Industrial/Office/Private Institutional: Portions over 4,500 m <sup>2</sup> GFA	Per 100 m <sup>2</sup>	\$1.27	\$1.51	\$1.56
	Commercial (Service, Retail Warehouse)	Per 100 m <sup>2</sup>	\$7.97	\$9.79	\$10.16
	Commercial (Service, Retail Warehouse): Portions over 4,500m <sup>2</sup> GFA	Per 100 m <sup>2</sup>	\$2.46	\$2.95	\$3.04
	VMC Surcharge <sup>10</sup>	Application	\$52,382	\$52,382	\$52,382
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$52,382	\$52,382	\$52,382
Other	Revision to Site Development Application requiring Recirculation <sup>9</sup>	Application	\$4,429	\$4,429	\$4,429
	Simple Revision to Site Development application not requiring recirculation or Council Approval <sup>5</sup>	Application	\$4,143	\$4,143	\$4,143
	Landscape Inspection Fee	Surcharge / Inspection	\$416	\$428	\$428

**Proposed Tariff of Fees for Vaughan Planning Applications 2018, Including Impact of Addition Resource Requests in  
2018 & 2019**

TARIFF OF FEES FOR VAUGHAN PLANNING APPLICATIONS					
Application Type / Service		Unit of Measure	2018 Fees	2018 - Additional Staff Resource Fee Impacts	2019 - Additional Staff Resource Fee Impacts*
<b>DRAFT PLAN OF CONDOMINIUM APPLICATION</b>					
Draft Plan of Condominium Base Fee (includes Standard, Common Element, Vacant Land, Leasehold, Amalgamated and Phased)		Application	\$23,590	\$24,267	\$24,267
Revision to a Draft Plan of Condominium		Application	\$7,053	\$7463	\$7463
<b>DRAFT PLAN OF SUBDIVISION APPLICATION</b>					
Residential	Base Fee	Application	\$43,752	\$43,752	\$43,752
	Per Unit Fee				
	0-25 Units	Unit	\$876 / unit	\$1086 / unit	\$1130 / unit
	26-100 Units	Unit	\$456 / unit	\$542 / unit	\$564 / unit
	101-200 Units	Unit	\$137 / unit	\$162 / unit	\$170 / unit
	Greater than 200 Units	Unit	\$41 / unit	\$48 / unit	\$50 / unit
	Part Lot / Block	Unit	50% of Per Unit Fee / Lot	50% of Per Unit Fee / Lot	50% of Per Unit Fee / Lot
	VMC Surcharge <sup>10</sup>	Application	\$10,609	\$10,609	\$10,609
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$31,827	\$31,827	\$31,827
Non-Residential	Base Fee	Application	\$43,752	\$43,752	\$43,752
	Non-Residential Blocks in Subdivision (fee applies on per hectare basis)	Hectares	\$8,866	\$11,429	\$11,842
	VMC Surcharge <sup>10</sup>	Application	\$21,218	\$21,218	\$21,218
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$21,218	\$21,218	\$21,218
Mixed-Use	Base Fee	Application	\$43,752	\$43,752	\$43,752
	Mixed-use Blocks in Subdivision <sup>5,6</sup> (fee applies on a per hectare basis)	hectares	\$4,762	\$6,018	\$6,220
	VMC Surcharge <sup>10</sup>	Application	\$21,218	\$21,218	\$21,218
	Intensification Area / Infill Surcharge <sup>10</sup>	Application	\$10,609	\$10,609	\$10,609
Other	Revision to Draft Approved Plan of Subdivision requiring Circulation <sup>9</sup>	Application	\$7,053	\$7463	\$7,500
	Revision to Conditions of Draft Plan of Subdivision Approval	Application	\$4,429	\$4,429	\$4,429
	Extension of Draft Plan of Subdivision	Application	\$2,212	\$2,212	\$2,212
	Registration of Each Additional Phase of a Subdivision Plan	Application	\$3,220	\$3,220	\$3,220
	Landscape Review	Surcharge	\$11,815	\$21,518	\$21,518
	Landscape Inspection	Surcharge / Inspection	\$428	\$428	\$428
<b>PRE-APPLICATION CONSULTATION (PAC)</b>					
Pre-Application Consultation Meeting		Application	\$1,326	\$1,326	\$1,326
<b>HERITAGE REVIEW</b>					
Heritage Review		Application	\$1,591	\$1,591	\$1,591
Heritage Permit		Application	\$530	\$530	\$530
Heritage Status Letter		Application	\$80	\$80	\$80

**Proposed Tariff of Fees for Vaughan Planning Applications 2018, Including Impact of Addition Resource Requests in  
2018 & 2019**

<b>TARIFF OF FEES FOR VAUGHAN PLANNING APPLICATIONS - 2018</b>				
<b>Application Type / Service</b>	<b>Unit of Measure</b>	<b>2018 Fees</b>	<b>2018 - Additional Staff Resource Fee Impacts</b>	<b>2019 - Additional Staff Resource Fee Impacts*</b>
<b>STREET NAMING AND NUMBERING</b>				
Address Change Application	Application / Property	\$813	\$1016	\$1016
Street Name Change	Application / Street	\$1,595	\$1947	\$1947
New Street Name - Proposed	Per Street Name	\$1,595	\$80	\$80
New Street Name - From City's Pre-Approved List	Per Street Name	\$267	\$267	\$267
Street Number - Lot Through Consents	Application	\$530	\$530	\$530
New Street / Unit Address (Per address & Per Unit)	Per Address / Unit	\$39	\$39	\$39
<b>DOCUMENTS AND MAPS</b>				
City of Vaughan Official Plan 2010	Document	\$67	\$67	\$67
Zoning By-Law 1-88 - Part 1 (Text only)	Document	\$26	\$26	\$26
Zoning By-Law 1-88 - Part 2 (schedules)	Document	\$61	\$61	\$61
By-Law 1-88 Part 1 (Key Maps only)	Maps	\$40	\$40	\$40
By-Law 1-88 CD version (includes parts 1&2)	Document	\$125	\$125	\$125
Base Map - Property Map (small)	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Various Maps	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Various Maps	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Large Property Map, Proposed Subdivisions, Vaughan Street map	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Official Plan, Secondary Plan Maps	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Topographic Maps	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Employment Area	Unit / ft <sup>2</sup>	\$7/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>	\$7.21/ft <sup>2</sup>
Custom Report	Application	\$663	\$682	\$682
<b>ADMINISTRATIVE FEES</b>				
OMB Appeal Administration Fee	Application	\$764	\$787	\$787
Maintenance Fee for Inactive Files for over 1 year (where the Applicant prefers not to close the file).	Application	\$589	\$589	\$589

\*Note: 2019 fees shown may be subject to an annual fee increase

## ATTACHMENT #5

### **Proposed Tariff of Fees for Vaughan Planning Applications 2018, Including Impact of Addition Resource Requests in 2018 & 2019**

#### **NOTES:**

1. Any application fees paid prior to the date this By-law comes into force, shall be credited to the amount(s) due under this By-law.
2. If an application is withdrawn in writing by the Applicant:
  - a) prior to a technical report proceeding to Committee of the Whole, 25% of the fee may be refunded;
  - b) prior to a Public Meeting, 50% of the fee may be refunded.
3. Should the Applicant request that a Public Meeting be cancelled (after Notices have been mailed out) and held at a later date, the total cost incurred for the second mailing of a Public Meeting Notice shall be borne by the applicant.
4. An appeal of any of the above-noted Development Applications to the Ontario Municipal Board shall be subject to a \$764.00 Planning Department Administrative fee, to be paid by the Appellant.
5. Site Development applications for new individual (excluding new single-detached residential dwelling developments(s) proceeding through the plan of subdivision approval process) single-detached dwellings that are to be constructed within the Kleinburg-Nashville Heritage Conservation District Study and Plan, as defined by Vaughan Official Plan 2010 are subject only to the Simple Revision fee for Site Development Applications, and will require Council approval of the application.
6. For Mixed-Use development, where more than one use is proposed on a site, the applicable Site Development application fee shall be the Base fee, plus the total of the fees for each individual use added together. For a Zoning By-law Amendment Application, Site Development Application and Draft Plan of Subdivision Application where residential uses are proposed, the per unit residential fee shall apply to each unit.
7. Minor Official Plan Amendment: A "Minor" Official Plan amendment is an Official Plan amendment that:
  - a) proposes a small-scale exception to a specific Official Plan standard (e.g., minor changes to the number of permitted units; building height; gross floor area; or to add a site-specific use limited in scale);
  - b) proposes a minor change to a specific policy that is limited in scope and typically to one property;
  - c) maintains the intent and purpose of the Official Plan; and,
  - d) shall have limited impact or policy implications beyond the subject lands.
8. Major Official Plan Amendment: A "Major" Official Plan amendment is an Official Plan amendment that:
  - a) any proposed redesignation or change in land use for a property(ies);
  - b) requires many changes to the policies and schedules of the Official Plan;
  - c) is more significant in scale and scope than a minor Official Plan amendment, and which may have greater impact or policy implications beyond the subject lands. Applications relating to more than one property would normally be in this category;
  - d) a site-specific application representing a large-scale development/redevelopment or a change in use. An application involving significant changes to the text or policies of the Official Plan would also fall in this category; and,
  - e) an Official Plan amendment within a Heritage Conservation District.
9. Official Plan and Zoning By-law Amendment and Site Development and Block Plan and Secondary Plan Applications – Recirculation fee applicable when substantial changes are initiated by the applicant that requires a full recirculation for review and comment prior to Council approval. When more than one related application (e.g., Official Plan and Zoning By-law Amendment) is filed, the fee shall only be applied for one of the related applications.
10. For the purposes of calculating the applicable surcharges the VMC, Intensification Areas and Infill Development are defined as follows:
  - a) VMC - Any Development Planning application for a property located within the boundary of the Vaughan Metropolitan Centre (VMC), as defined by the VMC Secondary Plan.
  - b) Intensification Areas - Any Development Planning application for a property located within an Intensification Area identified on Schedule 1 - Urban Structure of Vaughan Official Plan (VOP) 2010, or any Secondary Plan Policies (Section 11), Area Specific Policies (Section 12), or Site-Specific Policies (Section 13) constituting Volume 2 of VOP 2010. The surcharge will apply to Development Planning applications that facilitate new development and redevelopment proposals.
  - c) Infill Development - Any Development Planning application for a property where the proposal is for development that meets the following definition:

Infill Development means the development or redevelopment of a property, site or area with new development at a higher density or building height than is currently permitted by the Official Plan. The surcharge fee will not apply to a Development Planning application for street townhouse development, but shall apply to all other forms of townhouse development (e.g. common element, back-to-back, row, stacked, etc.). Infill development also includes all residential apartment and mixed-use buildings.

In each case above (i.e. VMC, Intensification Area and Infill Development) the surcharge will not apply to Development Planning applications that are minor in nature, such as additions or expansions of existing buildings, a change in use in an existing building, or an amendment to a development standard (e.g. number of units or gross floor area).

  - d) Heritage Conservation Districts (HCD): Intensification Areas and Infill Development fees do not apply to any Development Planning application that will facilitate the retention, adaptive reuse, or a minor alteration(s) (e.g. addition) of an existing building that is designated as Part 4 or Part 5 under the Ontario Heritage Act or recognized in the City's Built Heritage Inventory. However, any Development Planning application for new development / redevelopment within a HCD is subject to the Intensification Area/Infill surcharge.
  - e) The VMC, Intensification Areas, Infill Development and Heritage (where applicable) surcharges shall be paid for each application type. (Example: If a Zoning By-law Amendment and Site Development application are required for a residential development in the VMC, the applicable Zoning By-law Amendment surcharge of \$15,250 and the Site Development application surcharge of \$4,641 shall apply.)
11. **OTHER GENERAL FEES:**

\$589.00 per year Maintenance Fee charged to files inactive for over 1 year (where the Applicant prefers not to close the file).

## Attachment #6

### Recommended Tariff of Fees for Committee of Adjustment Fees and Charges

Committee of Adjustment Fees		
Consent Fee Description	Current 2017 Fees	2018 Fees
Application Fee	1,932.00	3,443.00
Change of Condition	966.00	258.00
Re-Circulation Fee (Change of Application)	1,099.00	2,550.00
Certificate of Official	211.00	254.00
OMB Appeal	722.00	793.00
Adjournment Fee	0.00	515.00
Minor Variance Fee Description	2017 Fee	2018 Fee
Application Fee (Residential/Agricultural/Institutional)	1,670.00	2,803.00
Application Fee (Industrial/Commercial)	1,943.00	3,261.00
Re-Circulation Fee (Res/Agricultural/Institutional)	621.00	1,352.00
Re-Circulation Fee (Industrial/Commercial)	1,243.00	1,294.00
OMB Appeal Fee	722.00	793.00
Adjournment Fee		515.00