



REPORT

REPORT TO: Chair and Members of the Planning, Public Works and Transportation Committee

REPORT FROM: Jeff Markowiak, Manager (Acting) of Development Review

DATE: April 13, 2018

REPORT NO.: PLS-2018-0033

RE: Planning & Sustainability Application Fees Review Update

RECOMMENDATION:

THAT Information Report No. PLS-2018-0033 dated April 13, 2018, regarding the “Planning & Sustainability Application Fees Review Update” be received;

AND FURTHER THAT Council direct staff to undertake consultation with development industry stakeholders regarding recommended changes to the Planning & Sustainability fee structure.

PURPOSE OF THE REPORT:

The purpose of this report is to provide Council with the draft Town of Halton Hills Planning Fees Review report completed by Watson & Associates following the conclusion of their review of the Town’s current Planning & Sustainability fee structure; see **SCHEDULE 1**. The Watson report recommends changes to the fees collected by the Town for the review of planning development applications in order to balance the Town’s need to maximize cost recovery with stakeholder interests, affordability and competitiveness with comparator municipalities.

This report also seeks direction from Council to present the recommended fee changes to development industry stakeholders for comment and feedback.

BACKGROUND:

In 2011 the Town initiated a review of its Planning application fees with a primary focus on the full cost recovery for the processing and review of development applications submitted under the *Planning Act*. A 5 year model was developed and adopted for the 2012 to 2016 time period that relied on estimates of application volume and type expected to be received during that 5 year time frame.

In 2016 the Town's Capital Budget approved funding to undertake a general review of all rates and fees being collected by each Town department. As a result of the review, a general fee update was approved at the end of 2016 for implementation at the beginning of 2017. However, Finance staff concluded that the Planning and Sustainability application fees required further review outside the scope of the 2016 general fee update given that:

- over the past 5 years the Town has experienced an increase in the number of complex development applications, especially infill proposals, which require more multifaceted reviews to be completed; and
- since the 2011 fee review the Town's development review and approval process has undergone substantial changes, including a greater emphasis on pre-consultation and increased community engagement.

As a result, in April 2017 Town Council approved the retention of Watson & Associates to assess the current costs of processing development applications in Halton Hills and make recommended changes to the Planning and Sustainability fee structure to ensure that fees are appropriately structured relative to full cost recovery and competitiveness with comparator municipalities (Report PI-2017-0052).

COMMENTS:

Through 2017 and into early 2018 Watson & Associates undertook a review of the Planning and Sustainability fee structure and the Town's development review process. The primary objective of their study was to:

- review the Town's current planning application fees and determine historical levels of cost recovery; and
- assess the current costs of processing development applications in the Town of Halton Hills.

Watson has completed their review and recommended new fees and fee structure improvements as a result of their findings. The fee changes recommended by Watson are intended to:

- balance the Town's need to maximize cost recovery with stakeholder interests, affordability and competitiveness with comparator municipalities;
- reflect industry best practices; and
- conform to applicable legislation and be defensible if challenged.

The recommended fee changes and the methodology for calculating the full cost of the Town's development review service delivery are outlined in Watson's draft Town of Halton Hills Planning Fee Review document attached as **SCHEDULE 1** to this report.

Watson's draft recommended fee structure is being brought before Council for consideration as municipalities are required to submit to Council for approval all rates and fees that they will impose for the year. As part of this approval the Municipal Act, 2001, S.O. 2001, c. 25, as amended, requires a by-law be adopted annually listing all fees and charges imposed by the Town of Halton Hills.

It should be noted that on May 10, 2018, Town staff and Watson & Associates intend to hold a consultation session with development industry stakeholders to present the recommended changes to the Planning & Sustainability fee structure in order to obtain their comments and feedback.

Following the consultation process staff and the consultant will consider any suggested changes and make any revisions to the recommended fee structure where deemed appropriate. The final recommended fee structure will then be brought back to Council for formal approval.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the following strategic directions outlined in Council's 2014-18 Strategic Action Plan:

Municipal Service Delivery:

- Effective, efficient and economical delivery of the Town's existing services.

Financial Sustainability:

- Establish sustainable financing, asset management, and master plans to acquire, operate, maintain, renew and replace infrastructure.

FINANCIAL IMPACT:

The revenue collected from the recommended fees will ensure appropriate full cost recovery of the Town's development review service delivery and the competitiveness of the Town's development review fee structure.

CONSULTATION:

Planning staff and Watson & Associates consulted with staff from the various Town departments involved in the development review function (ie. Development Engineering, Transportation, Rec & Parks, Buildings and Zoning) to determine the relative level of effort by those departments in processing planning applications. These effort estimates were important to help determine the current costs of processing development applications in the Town.

PUBLIC ENGAGEMENT:

A consultation session is scheduled for May 10, 2018, for Town staff and Watson & Associates to present the recommended changes to the Planning & Sustainability fee structure to development industry stakeholders to obtain their comments and feedback.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report is not applicable to the Strategy's implementation.

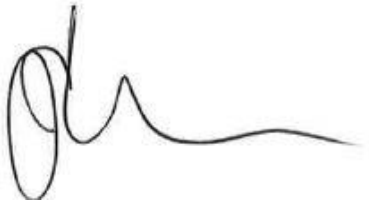
COMMUNICATIONS:

There are no communications impacts associated with this report.

CONCLUSION:

It is recommended that Council receive this report for information and direct Town staff to undertake consultation with development industry stakeholders regarding recommended changes to the Planning & Sustainability fee structure.

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read 'John Linhardt', with a stylized, flowing script.

John Linhardt, Commissioner of Planning & Sustainability

A handwritten signature in black ink, appearing to read 'Brent Marshall', with a stylized, flowing script.

Brent Marshall, CAO