

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Wendy O'Donnell, CPA, CGA, Deputy Treasurer/Manager of Revenue and Taxation

DATE: October 15, 2019

REPORT NO.: CORPSERV-2019-0039

RE: 2020 Rates and Fees

RECOMMENDATION:

THAT Report No. CORP-2019-0039 dated October 15, 2019, regarding 2020 Rates and Fees be received;

AND FURTHER THAT the 2020 Rates and Fees be approved by Council as outlined in Appendix A of the accompanying by-law;

AND FURTHER THAT a By-law to establish the 2020 Rates and Fees be approved, and that By-law 2018-0076 be repealed.

BACKGROUND:

As per the Municipal Act, S.O. 2001, c.25 as amended, municipalities are required to submit to Council for approval all rates and fees that will be imposed for the upcoming year. As part of this approval, Council must adopt a by-law annually listing all fees and rates to be levied by the Town of Halton Hills.

Departments look at many factors when they consider a new fees/rates or increases to existing fees/rates for the services they provide. Such consideration will include an in-depth analysis of the cost of service delivery including staff time and/or other resourcing such as equipment, utilities, supplies, postage, etc. Staff will also examine the rates and fees of comparable and/or neighbouring municipalities and take into account market factors such as the potential demand for a service.

COMMENTS:

For the 2020 rates and fees review, staff assessed their departmental fees and rates relative to the cost of providing their services. In addition they conducted a review of the fees and rates charged by nearby municipalities, and/or municipalities of similar size. The proposed 2020 rates and fees are listed in Appendix A of the accompanying by-law.

Each department has provided a rationale for any changes in their respective rates and fees as follows:

Office of the CAO – Clerks

Staff is recommending a new fee for Noise Exemption Applications within the By-law Enforcement division. Currently anyone seeking an exemption to the Town's noise by-law must notify the public through notices in the local papers and distribute letters to impacted neighbours. As there have been challenges with the requester fulfilling this requirement, staff has assumed this responsibility ensuring that wording of the notice is consistent and that it meets the timeline prescribed in the by-law. This fee would cover the staff costs associated with the notification and is comparable to the fee charged by other municipalities.

All other fees remain at 2019 levels.

Corporate Services

Staff is recommending increases on the following fees:

- Detailed statement of taxes
- Summary of statement of taxes
- Miscellaneous confirmation of records
- Tax certificate
- Tax sale charges added to roll
- Transfer fee (adding outstanding invoices such as water invoices from the Region and POA fines to the tax roll)

Staff has reviewed the work involved in preparing these documents and are recommending the increases as shown in the attached schedule. These rates have not changed since 2016 and with the recommended increases, would be comparable to those of the area municipalities in Halton Region.

Fire Services

Staff is recommending two adjustments to Fire's rates and fees. An increase of 2% is being recommended for File Search/Compliance Letters and Incident Reports to cover the cost of providing this service. The remainder of the fees remains unchanged from 2019 levels.

Planning & Sustainability

The 2020 fees have been increased by 2% with the exception of printing and documents. The Legal section has added a new fee for "Amendments to the Conditional Building Permit Agreement" based on the time needed to complete, and an increase of \$30.00 to the "Compliance Statement, Release or Deletion of Registered Instruments" to reflect the increase in costs charged to the Town.

Transportation and Public Works

Building Services:

- Building Services overall increase of 1.5%
- ***Two-Unit House Registration- Pre-Approved:***
The Town of Halton Hills “Two-Unit House Registration By-law” requires a house containing two-units to be registered. Prior to registration, Fire or Building and By-law Enforcement staff must inspect a two-unit house to confirm compliance with the applicable Codes and By-laws. Where a building permit is applied for and issued prior to commencement of construction of a new two-unit house, or a new accessory apartment within an existing single-unit house, the building permit process will include the majority of the inspections that would otherwise be part of the two-unit house registration process. To reflect this reduction in the number of the required registration inspections, this new, much lower, fee is being introduced in addition to the existing “Two-Unit House Registration fee”.
- ***Registration & Discharge of various orders under the Building Code Act from Title in the Land Registry Office:***
The Building Code Act allows an Order issued under this Act to be registered in the proper land registry office. When the requirement of the order has been satisfied, the Chief Building Officer will request a discharge of the order. The new fee is required to cover the cost associated with the registration and discharge of the orders (including the Registry office fees).

Engineering Services:

- Engineering Service overall increase of 2%
- ***Benchmark; Cash in Lieu of Benchmark:***
As part of each plan of subdivision, the developer is required to install two second order benchmarks at locations determined by staff. This new unit rate will allow a developer to pay the Town in lieu of installing the benchmark. These monies will be used to install benchmarks at locations determined by staff.
- ***Extended Engineering Services:***
These unit rates will be charged at the discretion of the Director of Engineering to contractors, developers or permit holders for when staff are required to provide extended or additional services such as attend a site (e.g. meetings or inspections outside of normal responsibilities) and/or to coordinate efforts to rectify safety issues or forced deficiency repairs (e.g. street cleaning, road damage, grading concerns). These monies are intended to recover the costs of these services and will be applied directly to the Engineering Operating Budget.

- ***License Agreement:***

This fee will provide partial recovery of the engineering staff costs associated with preparing and administering the license agreement. License agreements are used by the Town to grant formal permission to private individuals or corporations in order to facilitate the installation, maintenance and use of temporary or permanent monitoring wells (environmental and ground water), private underground services (e.g. water services, communication cable, storm sewer, etc.), and various construction activities that temporarily encroach on Town lands (e.g. crane swing, hording, shoring, etc.). Planning currently collects a fee for their cost to prepare the documents, request Council approval, execute the agreement and register the agreement on title.

Transportation Services:

- ***Road Occupancy Permits:***

These fees are described within Report TPW-2019-0001 dated January 21, 2019 and have been in effect since March 12, 2019. Due to recent fee adjustments no further changes are recommended for 2020.

- ***Road Occupancy Permit (Public Events):***

This is a new fee to recover costs for staff time to review and provide comments on public events that impact the Town's road allowance and may require road closures and or detour routes. This is a common approach in other municipalities to offset a portion of the costs related to staff time to review and provide comments on road closures and detour plan associated with the event.

Public Works:

- ***Street Cleaning, Scraping or Debris Removal and/or Flushing:***

These new unit rates will be charged to developers (subdivisions and site plan) and/or permit holders (site alteration, excavation, road occupancy) when Public Works staff is required by the Director of Engineering to clean/sweep/flush a roadway to address poor road conditions. There may be occasions when one or combination of all three cleaning operations will be required to address the deficiencies. The efforts of Engineering staff will be charged separately. These monies are intended to recover the costs of these services and will be applied directly to Public Works Operating Budget.

- ***ActiVan Charter Rental Fee:***

This new fee is being introduced for the provision of shuttle services for private and/or public events within the municipal boundaries of Halton Hills. The monies will be directly applied to the ActiVan operating budget as a cost recovery for fuel, vehicle maintenance, driver time and administration fees.

Recreation and Parks

Recreation & Parks Department will be recommending a number of changes to the rates and user fees in a separate report to be considered by Council at a future

meeting. As Council is aware, in December 2018, Council approved Resolution 2018-0184 regarding the terms of reference for the Recreation and Parks Strategic Action Plan. The Recreation & Parks Department is currently going through a user fee and rate review with consultant Watson & Associates. The goal of the Recreation and Parks Rates and Fees Strategy is to review the existing rates and fees structure and provide a new framework to rationalize rates, subsidy/cost recovery levels, and future trends based on projected demographics. In preparation for the 2020 Budget, staff undertook a review of the arena funding program including the arena surcharge and through their analysis recommend the surcharge could be eliminated as of January 1, 2020. Further details with respect to the surcharge elimination will be provided through the 2020 Budget Directions Report, CORPSERV-2019-0036 to be issued November 6, 2019. With regard to the remaining rates, staff is recommending that rates be held at 2019 values until results of the Rates and Fees Strategy are before Council in the first quarter of 2020.

Cemetery rates are not within the scope of the Strategic Action Plan. Some cemetery rates were significantly below comparable market rates (10% to 87%) and have been increased by 5%-10% as recommended by the Cemetery Business Plan, approved by Council in 2016. This will be the fourth of a phased approach to achieve rates that are competitive with the market. The rates for donations were increased by 2-5% to accommodate material costs and perpetual care for the life of the trees. Some of the rates for additional staffing charges have increased by 3%-5% to better reflect staffing costs. A new rate has been added with regard to Care and Maintenance for any transfer of ownership on a plot purchased prior to 1954. The Care and Maintenance fee was not collected on any cemetery plots purchased prior to that date, and it is necessary to continue to fund the operations of the Cemetery.

The fees for the use of Halton Boards of Education facilities become effective in September of each year. The Halton Boards of Education had not provided the Town with the 2020 rates to be effective September 2020 at the time this report was prepared.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports Council priorities related to the effective, efficient and economical delivery of the Town's existing services, and establishing sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.

FINANCIAL IMPACT:

The revenue collected from these rates and fees offset the impact on the Town's tax levy.

CONSULTATION:

Each department is responsible for reviewing and recommending any changes to their respective rates and fees.

PUBLIC ENGAGEMENT:

Each department works with their user groups and follows any legislative requirements.

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:

Notification to the residents is made via the local news media, the Council agenda and the Town's website. Special interest groups are notified by each department.

CONCLUSION:

Staff reviews the Town's rates and fees annually. In the course of this review, staff considers the cost of service delivery including staff time and/or other resourcing such as equipment, utilities, and supplies, the fees of comparable and/or neighbouring municipalities and market factors such as the potential demand for a service.

The proposed rates and fees for 2020 as set out in this report represent the outcome of this review. Rates and fees are an important source of revenue for the Town of Halton Hills and assist in offsetting an increase in the Town's general tax levy.

Reviewed and Approved by,



Jane Diamanti, Commissioner of Corporate Services



Brent Marshall, Chief Administrative Officer