

<p>Date: October 5, 2022</p> <p>To: Chair and Members of Budget Committee - Fees and Charges</p> <p>From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building</p>	<p>Originator's file: CD.21.DEV</p>
	<p>Meeting date: November 30, 2022</p>

Subject

2023 Planning Act Processing Fees and Charges

Recommendation

1. That the Planning Act processing fees and charges, as outlined in Appendix 1 attached to the Corporate Report dated October 5, 2022 from the Commissioner of Planning and Building entitled "2023 Planning Processing Fees and Charges" be approved.
2. That a consolidated fees and charges by-law, effective January 1, 2023, which will incorporate the approved fees and charges of various City departments, be enacted to incorporate and establish new, revised and existing fees and charges for the Planning and Building Department, Corporate Services Department, and Transportation and Works Department as outlined in Appendix 1 attached to the Corporate Report dated October 5, 2022 from the Commissioner of Planning and Building entitled, "2023 Planning Act Processing Fees and Charges".

Executive Summary

- Fees related to the *Planning Act* include rates for minor variances, zoning certificates, planning applications and site plan inspections.
- The *Planning Act* fees and charges are reviewed annually to recover increased costs and respond to market conditions.
- This report sets out the proposed Fees and Charges for 2023.
- The City of Mississauga is currently completing a comprehensive review of the *Planning Act* Processing Fees and Charges, and a recommendation report to Budget Committee is expected in the first quarter of 2023 followed by an amending fees by-law to support implementation of the comprehensive review.

Background

Each year the City undertakes a review of the fees and charges collected under the *Planning Act*, R.S.O. 1990, c.P.13, as amended. The *Planning Act* Processing Fees and Charges include fees for services and activities provided by the City departments involved with processing planning related applications (i.e. Development & Design, Transportation & Infrastructure Planning, Legislative Services - Committee of Adjustment, etc.).

The City of Mississauga is currently completing a comprehensive review of the *Planning Act* Processing Fees and Charges. The study is expected to be completed in the first or second quarter of 2023 followed by a recommendation report to Budget Committee and an amending fees by-law to support implementation of the new fee schedule.

Recognizing that the new planning fees will not be in place at the start of the business cycle, this report proposes an interim cost of living fee increase. The fees will subsequently be adjusted based upon the results of the study at the conclusion of the study. This report sets out the proposed Fees and Charges for 2023. The 2023 Fees and Charges, if approved, will be added into a new consolidated user fees and charges by-law.

Comments

A fee increase of 3% to the majority of application fees related to the *Planning Act* as identified in the accompanying table (Appendix 1) is recommended. Increases, or new fees, are generally intended to account for increases in the consumer price index, new services provided, and the increased administrative and production costs related to the service.

The Pre-Application meeting (PAM) and Development Application Review Committee (DARC) meeting fees have been increased by more than 90% to better align with staff time and effort. There is no impact to the Annual Budget as we enter into an uncertain economic future.

Currently the Fees and Charges By-law credits PAM and DARC fees towards the required application fees. The fee credit process was established to encourage applicants to meet with staff and ensure that all relevant information is provided with the submission. Recent amendments to *the Planning Act*, R.S.O. 1990, from Bill109 require municipalities to refund planning application fees if the municipality fails to make a decision within the prescribed time period. Due to this new requirement of mandatory refunds, the City has decided to no longer credit applicants for PAM and DARC fees towards their planning application fees. Crediting PAM or DARC fees towards an application fee that is subject to the refund legislation contained in Bill 109 increases potential revenue losses for the City by refunding a credit that already reduced the application fee.

As of January 1, 2023, the City will only accept electronic payments for planning applications because the collection and processing of physical payments was inefficient and created delays application circulation. Banks charge the City a \$15.00 administration fee for the processing of

electronic fee transfers. This additional cost is being added to the proposed fee amounts to support a cost neutral charge to the City.

The following fees are being deleted in 2023 because when the variable fee is applied to the calculation, the required fees exceed the maximum application rate outlined in the by-law:

- Commercial, Office and Institutional: \$/m² for 4 501 - 7 000 m²
- Commercial, Office and Institutional: \$/m² beyond 7 000 m²

There are no new fees introduced for 2023.

Financial Impact

There is no financial impact resulting from the proposed changes to the fees and charges collected under the *Planning Act*.

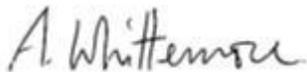
Conclusion

The fee adjustments outlined in Appendix 1 are a result of a complete review of all *Planning Act* processing fees and charges.

The proposed changes to the *Planning Act* Processing Fees and Charges for 2023 included in Appendix 1 will result in improved cost recovery.

Attachments

Appendix 1: Proposed *Planning Act* Processing Fees and Charges



Andrew Whitemore, M.U.R.P., Commissioner of Planning & Building

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