

**THE CORPORATION OF THE TOWNSHIP OF SOUTHWOLD**



**ADDENDUM TO  
AGENDA**

**Monday January 21, 2019**

**SPECIAL MEETING OF COUNCIL**  
4:00 p.m., Council Chambers, Fingal  
For the purpose of budget Deliberations

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2. **ADDENDUM TO AGENDA**

Items Added:

3. **REPORTS**

Report from the CAO/Clerk RE: Budget Report - Planning Fees Updated.



# TOWNSHIP OF SOUTHWOLD

## Report to Council

**DATE:** January 21<sup>st</sup>, 2019

**PREPARED BY:** Lisa Higgs, CAO/Clerk

**REPORT NO.:** CAO 2019-18

**SUBJECT MATTER:** Budget Report –Planning Fees Updated

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### **Recommendation:**

THAT Council receives the Budget Report – Planning Fees as Information and provides direction to staff for approval in the 2019 Budget By-Law.

### **Purpose:**

The purpose of this report is to provide Council with information on the proposed changes to the Planning Fee Structure and the associated impact on overall revenues.

### **Background:**

In response to the discussion on January 10<sup>th</sup>, staff has completed more research on the planning fees for Council consideration.

### **Comment:**

In a previous report, Council reviewed comparators for three municipalities. Included as a schedule to this report are more comparators against Southwold's proposed 2019 rates. Those fees in RED are higher than Southwold's proposed rates. The fees in GREEN are lower than Southwold's proposed rates. Fees in BLUE are equivalent to Southwold's proposed rates. On top of Dutton-Dunwich, City of St.Thomas and Central Elgin, nearby municipalities of Bayham, Malahide, and Southwest Middlesex were also shown for comparison. West Elgin data was not accessible at the time of writing this report. Recently, local builders in the St.Thomas area have been developing homes in Tillsonburg and Ingersoll. The fees from these two municipalities were also included for comparison.

Council has discussed whether reduced fees leads to increased planning applications. A new tariff of fees By-Law became effective on April 20<sup>th</sup>, 2015. The Southwold

experience has shown that lowered fees did not result in a significant increase in applications, compared to 2014 data.

Included below is information on the number of applications and revenue received each year:

# of Applications and Total Fees in GL for Planning Activities	2014	2015	2016	2017	2018
Planning Consent (Severances)	15	12	18	17	18
Site Plan App	5	1		1	
Minor Variance	4	4	3	3	3
Pre-consultation fee	6	1			
Zoning bylaw amendment	15	15	11	11	16
Development Agreement	2			2	2
Lot line adjustment	2				
Temporary use			1		
Fee for Agreement		2	2	1	1
Official Plan Amendment				1	1
Total fees collected*	\$ 45,378.00	\$ 20,529.27	\$ 11,096.43	\$ 16,788.49	\$ 18,200.00
*excludes recoveries of consultant fees					
New Tariff of Fees By-law effective April 20, 2015					

In reviewing this data and in consideration of keeping fees low, there are alternative options for Council to consider. These proposed options from staff will result in the Planning Department not operating at full cost-recovery, however Council may determine that the economic development benefit outweighs the costs.

*Option 1: Eliminate Agreement Administration Fees*

An investigation into the comparators demonstrated that in many municipalities, the fees for contracts and agreements is not included in their planning fees, or if they are, the fees were on average lower than Southwold (with the exception of Bayham). Based on the discussion at the previous budget meeting, Southwold Council is agreeable to the CAO/Clerk time being used to facilitate development, without acquiring additional fees to offset this contribution. Given that administrative work on agreements is completed by the CAO/Clerk and not the Planner, it may follow in the same logic to eliminate a planning fee for this service. Furthermore, agreements are drafted at the end of the planning process, so it could be argued that these are administrative documents to align with entire corporate interests of all departments instead of just planning needs. As the data above shows, there are few development agreements anticipated each year, so the loss in revenue in the proposed budget's planning fee adjustments would be \$4,000.00. The elimination of site plan agreement fees may also be considered, with a possible annual loss of revenue of \$1,000.00.

*Option 2: Adjust Consent Application Fees for Farm Surplus*

Many of the applications for consent that are received by the municipality which are forwarded to the Land Division Committee are for Farm Surplus. Of the 18 applications in 2018, nine were for severance of a surplus farm dwelling. Farm surplus applications are typically submitted by Township residents and allow the agricultural property owner the ability to sever the house portion to sell while still keeping the remaining lands in farm operation. The creation of Farm Surplus lots may take less time for staff to review in that the lots may have similar policy reviews and reports. A disadvantage of subsidizing this type of development is that these severances do not result in an increase of new construction. If Council were to eliminate consent fees for only farm surpluses, for instance the potential loss of revenue compared to the projected budget could be \$7,200. Comparatively, if the consent fee for farm surpluses was 50% of the proposed rate (\$400), the potential loss of revenue compared to the projected budget would be \$3,600.

*Option 3: Eliminate Consent Fees & Raise Plan of Subdivision Fees*

Council may consider adjusting consent fees and raising plan of subdivision fees to redistribute on plan of subdivision fees, since the process is more complex. A problem with this approach is that plans of subdivision bring significant economic development opportunities for the municipality, relative to the typical consents which are more common outside our settlement boundary areas.

Council may also wish to combine different elements of these proposals for consideration.

**Approved by: Lisa Higgs, CAO/Clerk**

Planning Fees Comparisons

	<u>Southwold</u> <u>Proposed 2019</u>	<u>Malahide</u>	<u>Bayham</u>	<u>Southwest</u> <u>Middlesex</u>	<u>Central Elgin</u> <u>2018</u>	<u>Dutton</u> <u>Dunwich</u> <u>2018</u>	<u>City of St.</u> <u>Thomas 2018</u>	<u>Tillsonburg</u>	<u>Ingersoll</u>
Minor Variance	\$ 650	\$2000 deposit	\$1000 + \$1,000 deposit	\$ 800	\$ 400	\$ 750		600	1400
Official Plan Amendment (includes planning report)	\$ 2,000	\$4000 deposit	\$1000 + \$1,000 deposit	\$ 1,750	\$ 750	\$ 2,000	\$ 750	\$ 2,680	\$ 2,680
Zoning By-law Amendment	\$ 1,500	\$4000 deposit	\$1000 + \$1,000 deposit	\$ 1,200	\$ 750	\$ 1,500	\$ 750	\$ 700	\$ 2,500
Combined application to amend the Official Plan and Zoning By-law in respect of the same lands	\$ 2,750				\$ 750				
Plans of Subdivision/Plans of Condominium	\$ 2,000	\$ 10,000	\$1000 + \$1,000 deposit	\$ 2,000	actual costs	\$ 2,000	admin+\$20 per lot processing+\$20 per lot registration review+\$legal fees	3560	\$1000 + 3560
Plans of Subdivision/Plans of Condominium-phased plan registration is an additional							\$1,000		
Plans of Condominium	see above	\$10,000			\$2,000 + actual costs			1625	1625
Site Plan Application (includes planning report)	1000		\$1000 + \$1,000 deposit	1500	\$ 300	\$ 1,000	\$300+\$150 or \$300 for minor technical+\$800 agreement review+legal fees	600	\$1,160 + cost of registration + peer review costs
Remove holding provisions established on any zone in zoning by-law			2000 deposit	800	\$ 750	\$ 500	\$ 300	\$ 200	\$ 1,500
Development Agreement-Administration Fee-First Agreement -each additional lot that was part of the original severance	2000	550	\$1000 + \$1,000 deposit		actual costs	\$ 1,000		800	275
-site plan & consents	500				\$ 500	\$ 500			
Site Plan Agreement-Administration Fee	1000		\$250 (for amedments)		\$ 300	\$ 1,000			435
Zoning report (written) information relating to each assessed parcel							\$ 35		
Temporary Use By-law (Deposit \$5,000 refundable upon compliance)	650		\$1000 + \$1,000 deposit	1200	\$ 750	\$2,000 or \$1,500 for actual costs(\$200 deposit)		700	
Pre-construction meeting with Planner						actual costs(\$200 deposit)			
Pre-consultation meeting with Planner (non-refundable) only charged after 2nd meeting	200		800 (planning report)			actual costs(\$200 deposit)			
Staff review of Green Incentives Construction projects					\$ 1,000	\$ 1,000			
Application for consent (severance) (includes planning report)	800			1750	county rates	\$ 800	1975	\$1000 + 1975	\$500 + 1975
Subdivision agreements					county rates				740
Contribution to Parkland Reserve Fee (per severance/new lot creation) except on surplus Farm Residence	1750			500		\$ 1,500			
Contribution to Parkland Reserve Fee (lot line adjustment)						\$ 200			
Public/Special Meeting					\$150/attending Council member(min 800 \$600)				
Extension or change to non-conforming					\$ 400				

\*Note: any legal or consulting fees over and above established rates will be added to all planning fees, Fees are charged per lot, where applicable.