

Proposed Zoning Bylaw No. 8770 Text Amendments – Development Review Fees

APPLICATION SUMMARY

The Administration is proposing changes to the fees for development permits and other development applications. These fees are outlined in Bylaw No. 8770, the Zoning Bylaw, therefore a text amendment to the Zoning Bylaw is required to implement these changes.

RECOMMENDATION

That a copy of this report be forwarded to City Council recommending that at the time of the public hearing, City Council consider the Administration's recommendation that the proposed amendment to Bylaw No. 8770, the Zoning Bylaw, to adjust fees for development permits and other development applications, as outlined in this report, be approved.

BACKGROUND

The building and development sector is highly regulated/legislated and includes application, permit and inspection processes that facilitate both land use and construction in Saskatoon. Issuing a permit, whether for a residential or commercial construction project, requires a comprehensive review of the application to ensure regulatory requirements are met prior to the start of construction. As part of the overall review process, the Development Review Section facilitates the orderly use and development of property in Saskatoon, in accordance with accepted community standards, as primarily outlined in Official Community Plan (OCP) Bylaw No. 8769, the Zoning Bylaw and Land Subdivision Bylaw No. 6537.

In partnership with the Building Standards Division, Development Review has been evaluating methods to streamline and improve customer service, permitting and review processes. To align these priorities, and respond to industry needs, a Building and Development Operational Review was conducted in 2018. The goal of the review was to identify methods to establish the City of Saskatoon (City) as a national leader in building and development permit turnaround times. The results of the Operational Review were presented to the Standing Policy Committee on Planning, Development and Community Services on August 12, 2019.

DISCUSSION

Service Adjustments and Improvements are Needed

The Operational Review, as well as previous engagement and discussions with various stakeholders, has identified strong support for service increases and process improvements for development applications. The suggested service improvements have been considered, in addition to potential technology improvements and a project has been co-developed with Building Standards to lead to significant service changes.

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In order to implement the higher service levels associated with these changes, the Administration has identified that additional resources are required. See Appendix 1 for further details on the proposed changes.

Fee Increases Required for Cost Recovery

In 2016, City Council set a cost-recovery objective of 100% for development permits and all other development application fees, except discretionary use applications that remained at 80% cost-recovery. In addition, the fees for development applications reviewed by the Development Review Section were last adjusted as part of the 2016 annual operating budget. Due to cost increases related to salaries, as well as increases in non-salary expenses (computers, etc.), the current fees are no longer meeting these cost-recovery objectives, even if current service standards were to be maintained.

As part of the Building and Development Operational Review, a review of Planning and Development Fees was undertaken. The guiding principles for the review included achieving service efficiencies; fairness and equity; and transparency. See Appendix 2 for the Fee Review. Proposed fee changes are based on full cost recovery principles and take into account staffing level shifts needed to support streamlined development approvals. In particular, last year, existing staffing levels were reorganized to assign a fourth Development Review Officer, as an interim measure, which has provided value in managing timelines for permit approvals. At this time, additional fee changes are required to improve services in this area.

Fee Increases Required to Improve Service Levels

The proposed fee increases will result in the following service level changes:

1. Four Development Officer positions, 100% assigned to development permit review – an increase of one position;
2. One position designated to assist with subdivision applications and concept plan review;
3. One position designated to assist with city centre applications and general policy review.
4. One position dedicated to assisting in the implementation of the Operational Review recommendations, followed by a continuous role in process improvement for Development Review; and
5. Funding to support a significant upgrade to the POSSE program which is used by Building Standards and Development Review for the processing of permit applications and related uses.

It is important to note that not every position in Development Review is funded from development application fees. The remaining position funding comes from property taxes, recognizing the value to the general public of having a clear and consistent land use planning regime.

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As these and other service changes are considered and implemented, the Administration will work to balance the needs of citizens, the interests of businesses and the legislated requirements the City must abide by.

Appendix 3 provides the existing and proposed fees.

Next Steps

City Council will consider a report to adjust fees for development permits and other development applications as part of the proposed 2020/2021 Budget Deliberations. Should City Council approve the fee adjustments during Budget, a public hearing for the text amendments to the Zoning Bylaw will be required and would be held in December 2019. In addition, amendments will be required to Bylaw No. 6537, The Subdivision Regulations, which contains the fees related to subdivision applications, and Council Policy No. C09-005 Condominium Approvals, which contains the fees related to condominium applications.

The Administration is also proposing that all development application fees be removed from the Zoning Bylaw, and other applicable bylaws, and a separate fee bylaw be created. A report on this proposal will be brought forward in the near future.

COMMUNICATIONS AND ENGAGEMENT

Ongoing engagement with the development industry has occurred on the topic of process improvements since 2017. Discussion on the proposed fee changes first occurred when presented to the Developers Liaison Committee in June 2019, with additional detailed discussion with the development industry in August and September 2019.

The proposed fees were also presented to the Saskatoon and Region Association of Realtors and Land Surveyors operating in Saskatoon.

Information on the fee changes was provided to the general public in conjunction with the Zoning Bylaw Review project. This occurred both online in October 2019, as well as at a public open house held on October 2, 2019, at the Frances Morrison Central Library.

PUBLIC NOTICE

Public notice is required for consideration of this matter, pursuant to Section 11(a) of Policy No. C01-021, Public Notice Policy.

Once this application has been considered by the Municipal Planning Commission, it will be advertised in accordance with Policy No. C01-021, Public Notice Policy, and a date for a public hearing will be set. A notice will be placed in The StarPhoenix two weeks prior to the public hearing.

APPENDICES

1. Fee Review and Program Changes for Development Review
2. Planning and Development Fee Review
3. Existing and Proposed Fee Schedule

REPORT APPROVAL

Written by: Darryl Dawson, Development Review Manager
Reviewed by: Lesley Anderson, Director of Planning and Development
Approved by: Lynne Lacroix, General Manager, Community Services Department

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