

Development Permit Fees and Applications – 2020/2021

Recommendation

1. That the proposed fee adjustment for development permits and other development applications, as outlined in this report and included in the proposed 2020/2021 Preliminary Operating Budget, be approved;
2. That Reserves for Future Expenditures Policy No. C03-003 be amended to provide for a Development Review Program Stabilization Reserve; and
3. That the Administration undertake the necessary steps to implement the proposed fee changes for development permits and other development applications, including preparing the required notices for advertising the proposed amendments to the Zoning Bylaw and preparing the required bylaws and policy amendments.

Issue

Administration is proposing changes to the fees for development permits and other development applications in order to provide service changes, process improvements and achieve cost recovery objectives. Creation of a stabilization reserve is also proposed to facilitate long-term program operations and improvements.

Background

In 2018/2019, the Planning and Development Division, in partnership with the Building Standards Division, engaged the services of a third-party consultant to complete an Operational Review. Associated with this, an evaluation of Planning and Development Fees was undertaken by the consultant.

Findings of the Planning and Development Fee Review demonstrate that Saskatoon's development application fees are currently low compared to peer municipalities surveyed, and with proposed increases, will stay below average. The net impact of the recommended fee increases is forecasted to return the applicable activities to a state of full cost recovery of service.

It is important to note that not all of the activities of the Development Review Program are cost-recovered from application fees.

Discussion/Analysis

The net impact of the recommended fee increases is forecasted to return the cost-recovery programs to a state of full cost recovery of service, as well as increase the program service levels going forward.

Table 1 below summarizes the recommended fee increases from January 1, 2020, to December 31, 2021. As a result of anticipated program changes, Administration will conduct further analysis and engagement in 2020 and 2021 with regards to fees and consideration of an on-going index of the fees with inflation as a measure to maintain cost recovery going forward.

Industry and public engagement on these proposed fee increases occurred from June to October 2019.

Table 1 – Summary of Recommended Fee Increases

Type	2019 Rate	Proposed 2020 Rate	Proposed 2021 Rate
Development Permit			
Application Fee	\$135.00		
Plus Construction Value (per \$1000)	\$0.45		
Residential - New (application fee only)		\$325.00	\$341.25
Residential - Alterations (application fee only)		\$175.00	\$183.75
Commercial/Industrial/Institutional/Multiple Unit Dwelling - New		\$490.00	\$514.50
Commercial/Industrial/Institutional/ Multiple Unit Dwelling - Alteration		\$220.00	\$231.00
Commercial/Industrial/Institutional/ Multiple Unit Dwelling – Plus Construction Value (per \$1000)		\$0.45	\$0.47
Discretionary Use			
Standard Application	\$1,050	\$4,500	\$4,590
Complex Application	\$1,950	\$5,750	\$5,865
Highly Complex Application	\$5,300	\$7,000	\$7,140
Zoning Bylaw & OCP Amendment			
Text Amendment	\$3,750	\$4,750	\$4,845
Rezoning - Low Density	\$3,750	\$5,750	\$5,865
Rezoning - Consistent with Approved Concept Plan	\$3,750	\$4,500	\$4,590
Rezoning - Medium/High Density	\$5,000	\$7,000	\$7,140
Additional Fee-Zoning Agreement	\$625	\$1,750	\$1,785
Additional Fee-Rezoning that includes Major Concept Plan Amendment	\$1,875	\$3,750	\$3,825
Additional Fee-Rezoning that includes Minor Concept Plan Amendment	\$625	\$1,500	\$1,530
Direct Control District (requiring Council approval)	\$2,500	\$5,000	\$5,100
Official Community Plan Amendment (text or map)	\$100	\$1,750	\$1,785

Concept Plan			
New or Major Amendment	\$2,000	\$25,000	\$25,500
Minor Amendment	\$625	\$4,500	\$4,590
Architectural Control District Approval			
Major Application	\$2,500	\$5,000	\$5,100
Minor Application	\$625	\$2,500	\$2,550
Other Applications			
Endorsement of Liquor Permits	\$200.00	\$210.00	\$214.20
Minor Variance Application Fees	\$50.00	\$55.00	\$56.10
Zoning Verification Letters	\$200.00	\$210.00	\$214.20
Development Appeal (fee as per the Planning & Development Act)	\$50.00	\$300.00	\$300.00
Subdivision (fee as per the Subdivision Regulations, Bylaw No. 6537)			
Application Fee	\$650.00	\$3,250	\$3,315
Approval Fee (per lot)	\$115.00	\$55.00	\$56.10
Condo Application Fee (new)	\$750.00	\$787.00	\$802.74

Policy Implications

Amendments to the Zoning Bylaw No. 8770, Bylaw No. 6537 Subdivision Regulations, and Council Policy No. C09-004 Condominium Approvals are required to support implementation of the fee changes.

The recommended creation of the Development Review Program Stabilization Reserve also requires an amendment to the Reserves for Future Expenditures Policy No. C03-003. Further detail is provided in Appendix A.

A subsequent set of amendments will be pursued to remove the applicable fees from the Bylaws and Policy and set forth a separate fee bylaw, as allowed under the Planning and Development Act, 2007.

Financial Implications

The Development Review Program revenue is projected to increase by \$594,200 for 2020, based on the proposed fee increases. With the fee increase, corresponding staffing increases and the realignment of full cost recovered activities, the anticipated overall mill rate support of this program is budgeted to decrease by \$46,000 from 2019.

APPENDICES

1. Appendix A – Proposed Amendments to the Reserves for Future Expenditures Council Policy No. C03-003