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PLANNING APPLICATION FEES

The Planning and Economic Development Committee recommends the adoption of the recommendations contained in the following report dated October 3, 2007, from the Commissioner of Planning and Development Services:

1. RECOMMENDATIONS

It is recommended that:

1. The Regional Planning application fee schedule be amended as shown in *Attachment No. 1* to this report.
2. The amended application fees identified in *Attachment No. 1* take effect February 1, 2008.
3. The Regional Solicitor prepare the necessary By-law to enact the new fees.
4. The approval authority for plans of subdivision listed in *Attachment No. 2* to this report be transferred from York Region to the appropriate area municipality.
5. Regional Legal and Planning staff be authorized to prepare the necessary Notice and By-law to implement the transfer of approval authority noted in 4 above.

2. PURPOSE

The purpose of this report is to:

- Assess the approximate costs of the additional requirements imposed on Regional staff by Provincial Legislation to review development applications.
- Recommend an increase to the application fees based on a combination of cost recovery to process the application, as a result of new Provincial requirements and average inflationary increases.

3. BACKGROUND

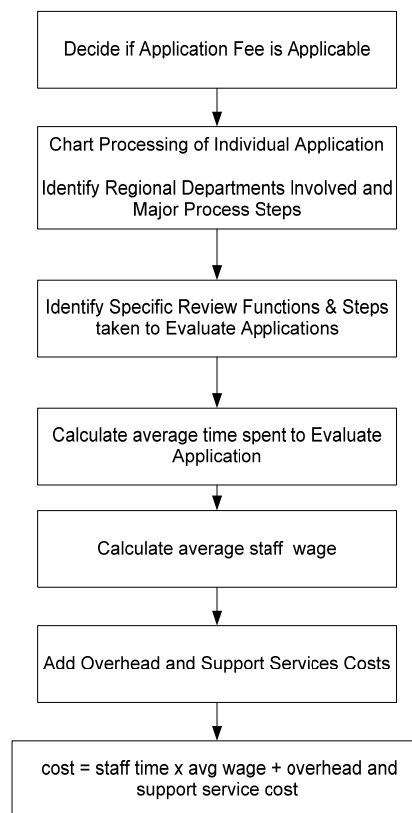
On December 15, 2005 Regional Council adopted Clause 6 of Report No. 10 of the Planning and Economic Development Committee that established the current fee schedule for planning applications. The schedule identifies fees to January 31, 2008 and a new fee schedule should be prepared for applications submitted after that date.

3.1 Extensive Review of Fee Schedule Carried out in 2005

The current fee schedule is based on an extensive review carried out in 2005 of the planning process and individual steps to evaluate planning applications, including Regional Official Plan amendments, local Official Plan amendments, draft and final plans of subdivision, and draft and final plans of condominium. The methodology to determine the fees is shown in *Figure 1* below.

Figure 1

Methodology to Calculate Development Application Fees



3.2 Additional Review Required by Provincial Plans

Since the establishment of the current fee schedule, staff have had an opportunity to review development applications in light of recent Provincial Legislation and Plans. These Provincial documents include the following and development applications must conform to:

- The Provincial Greenbelt Plan if commenced on or after December 16, 2004.
- The Provincial Growth Plan if commenced on or after June 16, 2006.
- Bill 51 changes to the Planning Act, if commenced on or after January 1, 2007.

In addition to the above, development applications must be consistent with the Provincial Policy Statement if commenced on or after March 1, 2005.

4. ANALYSIS AND OPTIONS

Evaluation of conformity of local and Regional Official Plan amendments to Provincial Legislation and Plans requires additional staff time which will be included in costs to process these applications and reflected in the fee schedule. These increased costs are reflected in two application areas: Regional Plan Amendments; and, major Local Plan Amendments. The balance of the application fees have generally been increased to reflect inflationary increases.

Bill 51 requires Regional Planning staff to carry out additional administrative procedures which will also be incorporated into the cost to process specific development applications. These additional costs are set out in *Attachment No. 1*.

4.1 Additional Costs Resulting from Provincial Greenbelt Plan and Growth Plan

In 2005 Regional staff determined it took approximately 107 hours of planning staff time to review applications for Regional Official Plan Amendments. The majority of this time continues to be comprised of work completed by senior planners, managers and directors (78 hours).

Staff estimate that it now takes on average, twice this amount of time to evaluate Regional Official Plan Amendments and Regionally Significant Local Official Plan amendments, in order to address Provincial Legislation and policy and these are the two areas where substantive increases are proposed. Ongoing examples of such applications include the Aurora 2C urban expansion, proposed Newmarket Official Plan, and Vaughan's proposed urban boundary expansion to accommodate additional employment land. For each of these applications, there is a significant increase in the meetings and discussions with Provincial staff and applicants to determine conformity to the Province's new Growth Plan, Greenbelt Policy, and Source Water Protection, and their related regulations. Key considerations include the status of the Region's Growth Management exercise, and development and siting of new infrastructure. To off-set these new costs an additional \$4,680 (78 hours of staff time plus overhead) should be included in the cost to process a Regional Official Plan amendment and \$2,640 (44 hours of staff time plus overhead) added to the cost to process a major local official plan amendment that requires a report to Regional Council.

4.2 New Costs for Administrative Procedures Required by Bill 51

Bill 51 provides for changes to the Planning Act that are effective January 1, 2007. New administrative procedures resulting from Bill 51 include:

- Letter to Owner/applicant advising application is complete.

- Notice of Receipt of Application advertised in newspaper(s).
- Affidavit advising if York Region's decision complies with Provincial Plans.
- Review of Record to determine who is eligible to file an appeal to the Ontario Municipal Board.

All of the above procedures are applicable to Regional Official Plan amendments and bullet points 3 and 4 are applicable to local Official Plan amendments.

4.3 Application Fees to Be Increased by Average Yearly Wage Increase to Regional Staff

In previous reports to Council on increases to application fees, staff compared a variety of indexes to link the increases to, and concluded that the most appropriate index was the average annual wage settlement based on the Region's collective bargaining agreement. The 2007 application fees are proposed to be increased by the average annual wage settlement received by Regional staff for 2006 and 2007, which for this period is 3% per year.

Column 2 in *Attachment No. 1* reflects the 3% annual yearly increase and the additional costs to process amendments resulting from Provincial Legislation and Plans.

4.4 Comparison to Other Regions

In comparison to fees charged by other upper tier municipalities, (excluding the City of Toronto) York Region's current fee for Amendments are about average. *Attachment No. 3* compares 2007 fees charged by other upper tier municipalities. Proposed increases would put York Region's Official Plan amendment fees at the higher end of the municipal scale specifically closer to Toronto's, however, for local amendments, York's fees will continue to be lower than Toronto's; in keeping with other upper tiers. It should be noted that other municipalities have yet to calculate their fees for 2008 and are currently also undertaking a similar fee review process.

4.5 Clarification on Municipally Initiated Official Plan Amendments

The current fee structure provides an exemption to municipally initiated Official Plan Amendments. The intent of this exemption was not to charge local municipalities a Regional application fee for policy changes, clarifications or enhancements to their Official Plans. Municipally initiated Official Plan amendments that are redesignating land to permit new development are required to pay the Region's application fee. *Attachment No. 1* to this report clarifies this exemption. The fee is typically collected from a land owner's development group.

4.6 Transfer of Approval Authority on Old Plans of Subdivision to the Area Municipalities

In the mid to late 1990's the Region transferred the approval authority on plans of subdivision and condominiums to the southern area municipalities, and subsequently to the northern municipalities only for applications submitted after March 31, 1995. The

Region is still the approval authority for approximately 52 plans that commenced prior to March 31, 1995. These applications are located mostly in East Gwillimbury, and Georgina, with some being located in Aurora and King Township.

The December 2005 report on Planning Application Fees recommended that:

“All applicants of plans of subdivision that are greater than 10 years old, which York Region is the approval authority for, be advised that their application must be registered by January 30, 2008 or the file will be closed. Upon Closure applicants can submit a new application to the area municipality which is the approval authority.”

4.6.1 Plans of Subdivision to be transferred to the Area Municipalities

Community Planning staff have notified the area municipalities and owners of the 52 plans of subdivision of the impending closures. Georgina and East Gwillimbury have responded by requesting York Region transfer the approval authority on some of these files (see *Attachments 4 and 5*). King Township and staff from the Town of Aurora have advised they will not be requesting transfer of any files and support the closure of the old files. The list of files to be transferred is shown in *Attachment No. 2*. Applications that are not transferred and are not registered by February 1, 2008 will be closed in accordance with Regional Council's recommendation.

Section 51.2 (2) of the *Planning Act* allows the Region to transfer the approval authority to the area municipalities without the necessity to involve the Province, unlike the requirements of the mid to late 1990's. Transfer is subject to Notice being given and passing of a By-law by Regional Council for the transfer. Notice must be given to the Clerk of the area municipality and the Director of Provincial Planning Services Branch (MMAH) at least 14 days before the date of the transfer.

East Gwillimbury has requested files be delegated from the Region to the Town which the Ontario Municipal Board has transferred to the Region. The Board has advised that transfer of these files will require a Board Order and consent of all parties involved in the hearing. Town and Regional staff will pursue this process for these files.

5. FINANCIAL IMPLICATIONS

Revenue generated from development application fees was \$259,246 for 2005 and \$264,757 for 2006. Estimated revenue for 2007 will be similar to 2005/2006 based on fees received to the end of August 2007. Revenue for 2008 may be enhanced by the rate change reflected for the larger amendments, dependent on number of applications received. The proposed 2008 budget reserve line for development application fees is \$300,000. The number of applications may decline marginally compared to previous years as the local municipalities begin to consolidate site specific amendments into the broader Official Plan review exercises that many have underway. Regional staff are

involved in these exercises to assist in streamlining this work. The Region's servicing protocol assists in determining the number of units which receive final approval each year; however, it is difficult to predict the number of new applications which the department will receive as unit counts vary for each individual application.

6. LOCAL MUNICIPAL IMPACT

There is no direct impact on the local area municipalities. Regional Planning staff work with local planning staff to determine if Official Plan amendments qualify for the reduced fee for minor or routine applications compared to those that require reports to Regional Council.

7. CONCLUSION

Attachment No. 1 to this report shows the proposed increases to planning application fees. These fees are substantially increased in two areas: Regional Official Plan Amendments, and Major Local Official Plan Amendments. These revised fees take into consideration the additional time required by staff to process these major applications resulting from Provincial Legislation and Plans. The 2007 balance of the application fees, as adjusted, are proposed to be increased by 3% per year for 2008, 2009 and 2010, which reflects average inflationary increases.

For further information about this report, please contact Paul Belton, Manager of Development Review, Community Planning Branch at (905) 830-4444 Ext. 1507 or paul.belton@york.ca.

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause are attached to this report.)