

BUILDING DEPARTMENT REPORT

REPORT 18/01

TO: Chair and Members of the Strategic Planning Committee

FROM: Dan Sharina, Chief Building Official

MEETING DATE: Wednesday, February-21-18

SUBJECT: Development Fees Review Study

RECOMMENDATION:

Be it resolved that the Strategic Planning Committee has received Building Department Report 18/01 regarding the Development Fees Review Study Final Report provided by Watson & Associates Economists Ltd.; and

That the Committee has received the delegation of Andrew Grunda from Watson & Associates Economists Ltd. and;

That staff be directed to proceed with the statutory notice requirements for a public meeting to consider the study findings at a future meeting of Council.

DISCUSSION:

In 2008 Watson and Associates Economists Ltd. concluded its comprehensive review of the Township of Guelph/Eramosa's development fees. This review assessed the activity-based costs of processing planning, administration and enforcement activities under the *Building Code Act* through building permit fees. The determination of this review was that fees need to be increased over prevailing fees in order to achieve full cost recovery.

The enclosed Watson & Associates Economists Ltd Final Report summarizes the legislative context for the fees review and provides in detail the methodology utilized to assess the full costs of this suite of services.

FINANCIAL IMPLICATIONS:

The financial implications of this full cost recovery and the associated fee schedules are included in the enclosed Watson & Associates Economists Ltd Final Report dated February 14th 2018.

SUMMARY COMMENTS:

Staff is seeking direction to proceed with the fee structure recommended by Watson & Associates Economists Ltd to appropriately recover the service costs from benefitting parties.

Respectfully Submitted,

Reviewed By;

Dan Sharina, CBO
Director of Building Department

Ian Roger, P. Eng
CAO

**Township of
Guelph/Eramosa
Development Fees Review
Study**

Final Report

February 14, 2018

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1. Introduction

1.1 Background

In 2008 Watson and Associates Economists Ltd. (Watson) concluded its comprehensive review of the Township of Guelph/Eramosa's (Township) development fees. The 2008 review assessed the activity-based costs of processing planning application fees, and administration and enforcement activities under the *Building Code Act* through building permit fees. The 2008 review concluded that the *Build Code Act* fees and *Planning Act* fees had to be increased over prevailing fees in order to achieve full cost recovery. Additionally, the 2008 review provided policy rationale for the creation of a building permit reserve fund to mitigate the impacts of any future economic downturns on operations.

The Township has retained Watson to undertake an update to the Township's development fees model. This technical report summarizes the legislative context for the fees review, provides in detail the methodology utilized to assess the full costs of processing development fee applications, and presents the financial implications of full cost recovery and the associated fee schedules.

1.2 Study Process

Set out in Table 1-1 is the project work plan that has been undertaken in the review of the Township's development fees.

**Table 1-1
Development Fees Review Study Work Plan**

<i>Work Plan Component</i>	<i>Description of Critical Path Component</i>
1. Project Initiation and Orientation	<ul style="list-style-type: none"> Project initiation meeting with Township staff to review project scope, methodology and work plan Township staff to review legislative context, development fee trends, ABC full cost methodology and refinements to fee categorization and service delivery
2. Review Background Information	<ul style="list-style-type: none"> Review of ABC model, cost recovery policies, reserve fund policies and by-laws Establish municipal comparators Review 2013-2016 cost recovery performance and application patterns
3. Municipal Policy Research and Municipal User Fee Comparison	<ul style="list-style-type: none"> Assist Township staff with municipal development fee policy research regarding development fee structures and implementation policies Prepare municipal comparison survey for municipalities and fees identified in Task #2
4. Development Fee Application Processing Effort Review	<ul style="list-style-type: none"> Working sessions reviewed established development fee review costing categories with regard to processing distinctions by application type. These categories, and any refinements, were costed through an update to the Township's existing ABC model In collaboration with Township staff, existing process maps reviewed and new process maps developed with regard to fee categories/processes established through these discussions
5. Design and Execution of Direct Staff Processing Effort Estimation	<ul style="list-style-type: none"> Updated development application processing activity maps were reviewed with Township staff within each of the business units to establish effort estimation data reflecting updated processes Township staff conducted effort estimation workshops with participating divisions and sections to collect processing effort estimates Effort estimates were examined to quantify and test overall staff capacity utilization (i.e. capacity analysis) for reasonableness
6. Update ABC model to determine the full costs of the development fee processes	<ul style="list-style-type: none"> The Township's ABC model was updated to reflect the current cost base (i.e. 2017\$) fee costing categories, direct and indirect cost drivers, data flows and full cost fee schedule generation

<p>7. Calculation of Full Cost Recovery Fees and Financial Impact Analysis</p>	<ul style="list-style-type: none"> • Modeled costing results were used to generate full cost recovery fee structure options • Full cost recovery fee structure options were considered in consultation with the Township staff • A reserve fund continuity forecast was prepared, in the context of the legislative authority for the maintaining building operations and sustainability targets • Overall financial impact and development fee structure impact analysis was undertaken • Provided impact analysis for sample development types and for municipal comparators
<p>8. Draft and Final Report</p>	<ul style="list-style-type: none"> • Draft Report findings prepared and presented to Township staff • Final Report prepared and presented to development industry stakeholders and Council

1.3 Legislative Context for Fees Review

The context for the development fees review is framed by the statutory authority available to the Township to recover the costs of service. The statutory authorities that must be considered are the *Planning Act*, which governs the imposition of fees for recovery of planning application processing, Section 7 of the *Ontario Building Code Act*, governing building permit fees, and Part XII (S.391) of the *Municipal Act*, for municipal services without statutory authority such as signs permits and zoning fees. The following summarizes the provisions of these statutes as they pertain to fees.

1.3.1 Planning Act, 1990

Section 69 of the *Planning Act*, allows municipalities to impose fees through by-law for the purposes of processing planning applications. In determining the associated fees, the Act requires that:

“The council of a municipality, by by-law, and a planning board, by resolution, may establish a tariff of fees for the processing of applications made in respect of planning matters, which tariff shall be designed to meet only the anticipated cost to the municipality or to a committee of adjustment or land division committee constituted by the council of the municipality or to the planning board in respect of the processing of each type of application provided for in the tariff.”

Section 69 establishes many cost recovery requirements that municipalities must consider when undertaking a full cost recovery fee design study. The Act specifies that municipalities may impose fees through by-law and that the anticipated costs of such fees must be cost justified by application type as defined in the tariff of fees (e.g. Subdivision, Zoning By-Law Amendment, etc.). Given the cost justification

requirements by application type, this would suggest that cross-subsidization of planning fee revenues across application types is not permissible. For instance, if Site Plan application fees were set at levels below full cost recovery for policy purposes this discount could not be funded by Subdivision application fees set at levels higher than full cost recovery. Our interpretation of the Section 69 is that any fee discount must be funded from other general revenue sources such as property taxes. In comparison to the cost justification requirements of the Building Code Act, where the justification point is set at the aggregate level of the Act, the requirements of the Planning Act are more stringent in this regard.

The legislation further indicates that the fees may be designed to recover the “anticipated cost” of processing each type of application, reflecting the estimated costs of processing activities for an application type. This reference to anticipated costs represents a further costing requirement for a municipality. It is noted that the statutory requirement is not the actual processing costs related to any one specific application. As such, actual time docketing of staff processing effort against application categories or specific applications does not appear to be a requirement of the Act for compliance purposes. As such our methodology which is based on staff estimates of application processing effort meets with the requirements of the Act and is in our opinion a reasonable approach in determining anticipated costs.

The Act does not specifically define the scope of eligible processing activities and there are no explicit restrictions to direct costs as previously witnessed in other statutes. Moreover, recent amendments to the fee provisions of the *Municipal Act* and *Building Code Act* are providing for broader recognition of indirect costs. Acknowledging that staff effort from multiple business units is involved in processing planning applications, it is our opinion that such fees may include direct costs, capital-related costs, support function costs directly related to the service provided, and general corporate overhead costs apportioned to the service provided.

The payment of *Planning Act* fees can be made under protest with appeal to the Ontario Municipal Board (OMB) if the applicant believes the fees were inappropriately charged or are unreasonable. The OMB will hear such an appeal and determine if the appeal should be dismissed or direct the municipality to refund payment in such amount as determined by the Board. These provisions confirm that fees imposed under the Planning Act are always susceptible to appeal. Unlike other fees and charges (e.g. Development Charges) there is no legislated appeal period related to the timing of by-law passage, mandatory review period or public process requirements.

1.3.2 Building Code Act, 1992

Section 7 of the *Building Code Act* provides municipalities with general powers to impose fees through passage of a by-law. The Act provides that:

“The council of a municipality...may pass by-laws

- (c) Requiring the payment of fees and prescribing the amounts of the fees,
 - (i) on application for and on insurance of permits,
 - (ii) for maintenance inspections,
 - (iii) for providing documentation, records or other information under section 15.10.4, and
 - (iv) for providing information under subsection 15.10.6 (2);
- (c.1) requiring the payment of interest and other penalties, including payment of collection costs, when fees are unpaid or are paid after the due date;
- (d) Providing for refunds of fees under such circumstances as are prescribed;”

The *Building Code Statute Law Amendment Act* imposed additional requirements on municipalities in establishing fees under the Act, in that:

“The total amount of the fees authorized under clause (1)(c) must not exceed the anticipated reasonable cost of the principal authority to administer and enforce this Act in its area of jurisdiction.”

In addition, the amendments also require municipalities to:

- Reduce fees to reflect the portion of service performed by a Registered Code Agency;
- Prepare and make available to the public annual reports with respect to the fees imposed under the Act and associated costs; and
- Undertake a public process, including notice and public meeting requirements, when a change in the fee is proposed.

O.Reg. 305/03 (which has since been replaced by O.Reg 332/12) was the associated regulation arising from the *Building Code Statute Law Amendment Act, 2002*. O.Reg 332/12 provides further details on the contents of the annual report and the public process requirements for the imposition or change in fees. With respect to the annual report, it must contain the total amount of fees collected, the direct and indirect costs of

delivering the services related to administration and enforcement of the Act, and the amount of any reserve fund established for the purposes of administration and enforcement of the Act. The regulation also requires that notice of the preparation of the annual report be given to any person or organization that has requested such notice.

Relating to the public process requirements for the imposition or change in fees, the regulations require municipalities to hold at least one public meeting and that at least 21-days notice be provided via regular mail to all interested parties. Moreover, the regulations require that such notice include, or be made available upon request to the public, an estimate of the costs of administering and enforcing the Act, the amount of the fee or change in existing fee and the rationale for imposing or changing the fee.

The Act specifically requires that fees “must not exceed the anticipated reasonable costs” of providing the service and establishes the cost justification test at the global *Building Code Act* level. With the Act requiring municipalities to report annual direct and indirect costs related to fees, this would suggest that *Building Code Act* fees can include general corporate overhead indirect costs related to the provision of service. Moreover, the recognition of anticipated costs also suggests that municipalities could include costs related to future compliance requirements or fee stabilization reserve fund contributions. As a result, *Building Code Act* fees modeled in this exercise include direct costs, capital-related costs, indirect support function costs directly consumed by the service provided, and corporate management costs related to the service provided, as well as provisions for future anticipated costs.

1.3.3 *Municipal Act, 2001*

Part XII of the *Municipal Act* provides municipalities and local boards with broad powers to impose fees and charges via passage of a by-law. These powers, as presented in s.391 (1), include imposing fees or charges:

- “for services or activities provided or done by or on behalf of it;
- for costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and
- for the use of its property including property under its control.”

This section of the Act also allows municipalities to charge for capital costs related to services that benefit existing persons. The eligible services for inclusion under this subsection of the Act have been expanded by the *Municipal Statute Law Amendment Act*. Moreover, the amendments to the Act have also embraced the broader recognition

for cost inclusion within municipal fees and charges with recognition under s.391(3) that “the costs included in a fee or charge may include costs incurred by the municipality or local board related to administration, enforcement and the establishment, acquisition and replacement of capital assets”.

Fees and charges included in this review, permissible under the authority of the *Municipal Act* would include zoning fees and sign permits that are not specifically provided for under the statutes identified above.

In contrast to cost justification requirements under other legislation, the *Municipal Act* does not impose explicit requirements for cost justification when establishing fees for municipal services. However, in setting fees and charges for these services, municipalities should have regard for legal precedents and the reasonableness of fees and charges. The statute does not provide for appeal of fees and charges to the OMB, however, fees and charges may be appealed to the courts if municipalities are acting outside of their statutory authority. Furthermore, no public process or mandatory term for fees and charges by-laws is required under the Act. There is, however, a requirement that municipal procedural by-laws provide for transparency with respect to the imposition of fees and charges.

2. Activity Based Costing Development Fees

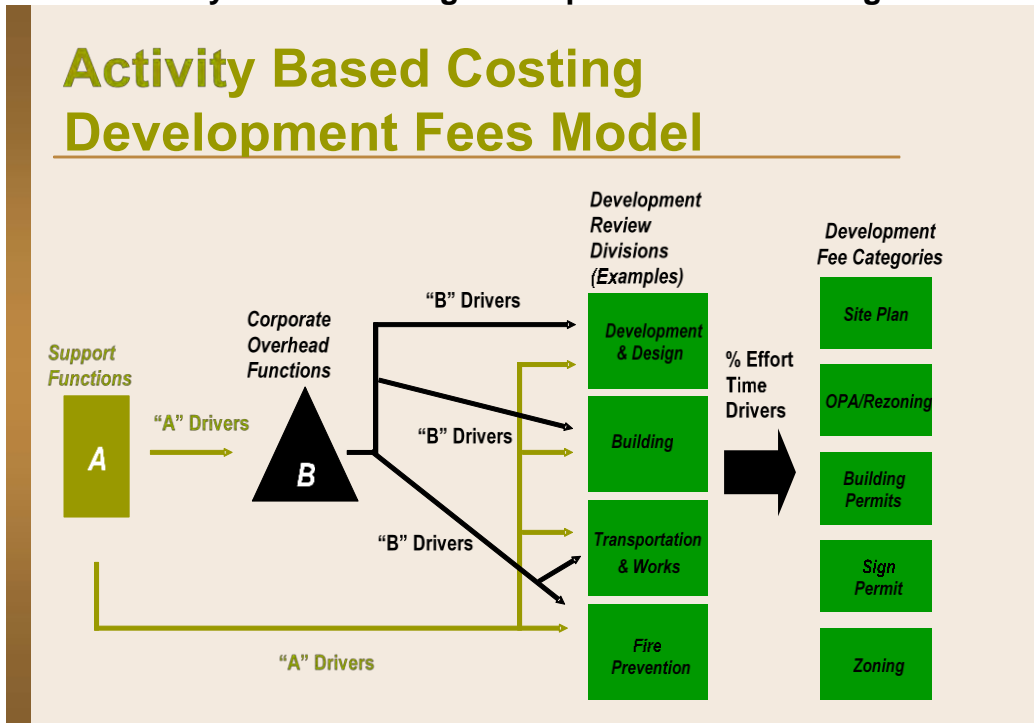
2.1 Methodology

An activity based costing (ABC) methodology, as it pertains to municipal governments, assigns an organization's resource costs through activities to the services provided to the public. Conventional municipal accounting structures are typically not well suited to the costing challenges associated with development or other service processing activities, as these accounting structures are business unit focussed and thereby inadequate for fully costing services with involvement from multiple Township business units. An ABC approach better identifies the costs associated with the processing activities for specific user fee types and thus is an ideal method for determining full cost recovery development fees.

As illustrated in Figure 2-1, an ABC methodology attributes processing effort and associated costs from all participating municipal business units to the appropriate development fee service categories. The resource costs attributed to processing activities and application categories include direct operating costs, indirect support costs, and capital costs. Indirect support function and corporate overhead costs are allocated to direct business units according to operational cost drivers (e.g. information technology costs allocated based on the relative share of departmental personal computers supported). Once support costs have been allocated amongst direct business units, the accumulated costs (i.e. indirect, direct and capital costs) are then distributed across the various development fee service categories, based on the business unit's direct involvement in the processing activities. The assessment of each business unit's direct involvement in the development application review process is accomplished by tracking the relative shares of staff processing effort across each development fee category's sequence of mapped process steps. The results of employing this costing methodology provides municipalities with a better recognition of the costs utilized in delivering development application review processes, as it acknowledges not only the direct costs of resources deployed but also the operating and capital support costs required by those resources to provide services.

The following sections of this chapter review each component of the ABC methodology as it pertains to the Township's development fees review.

**Figure 2-1
Activity Based Costing Conceptual Cost Flow Diagram**



2.2 Application Category Definition

Departmental business units deliver a variety of development application fee related services, including those administered under the *Planning Act*, *Building Code Act*, and *Municipal Act*. These services are captured in various cost objects or development fee categories. A critical component of the full cost development application fees review is the selection of the costing categories. This is an important first step as the process design, effort estimation, and subsequent costing is based on these categorization decisions. It is also important from a compliance stand point where, as noted previously, the *Planning Act* requires fees to be cost justified by application type consistent with the categorization contained within the Township’s tariff of fees.

The fee categorization process was developed during the Township’s prior fee reviews and refined as part of the current fee review. Refinements occurred throughout the assignment, including during initial sessions with Township staff to discuss changes in processing activities.

Summarized in Table 2-1 are the development fee costing categories that are included in the Township’s model and used to rationalize changes to the Township’s fee schedules.

**Table 2-1
Planning Application and Building Permit Costing Categories**

Planning DAAP Costing Categories	Building DAAP Costing Categories
Site Plan Application	Institutional & Assembly - New and Additions
Subdivision	Institutional & Assembly - Renovations
Consent / Severance	Industrial & Commercial - New and Additions
Minor Variance	Industrial & Commercial - Renovations
Re-Zoning	Residential - New
	Residential - Additions
	Residential - Renovations
	Residential - Decks
	Residential - Sheds and Garages
	Farm Buildings - Livestock Barns
	Farm Buildings - Accessory Buildings
	Septic Systems - New
	Septic Systems - Replacement
	Demolition Permit
	Pool & Fencing
	Solar Panels
	Tents
	Septic Re-Inspection – Remedial Actions

2.3 Processing Effort Cost Allocation

To capture each participating Township staff member’s relative level of effort in processing development applications, process templates were prepared for each of the above referenced application costing categories. The majority of the application process templates were generated initially during the 2008 review, along with the creation of processing templates for new costing categories. As part of this review study, these process templates were updated by Township staff reflect up-to-date processes.

The individual process maps were populated with results from the 2008 review where applicable, reflecting the level of involvement in processing activities from participating Township business units at that time. These effort estimates were refined by the participating business units to reflect the current processing activities and efforts reflective of current application characteristics.

Annual processing effort per staff position was compared with available processing capacity to determine overall service levels. Subsequent to this initial capacity analysis, working sessions were held with the Township staff to further define the scope and nature of various departments' involvement in development application review processes to reflect current staff utilization levels. As was the approach in the previous review, these refinements provided for the recognition of efforts within the development fees review processes ancillary to direct processing tasks, i.e. management and application oversight activities by departmental senior management, and enforcement activities under the authority of the Building Code.

The capacity utilization results are critical to the full cost recovery fee review because the associated resourcing costs follow the activity generated effort of each participating staff member into the identified development fee categories. As such, considerable time and effort was spent ensuring the reasonableness of the capacity utilization results. The overall departmental fee recovery levels underlying the calculations are provided in Chapter 3 of this report.

2.4 Direct Costs

Township departments with direct involvement in processing development applications are summarized in Table 2-2. Based on the results of the resource capacity analysis summarized above, the proportionate share of each individual's direct costs were allocated to the respective development application fee categories. The direct costs included in the Township's costing model are taken from the Township's 2017 budget and included direct costs such as salaries, wage and benefits, materials and supplies, etc.

It should be noted that transfers to reserves (reserve funds) and transfers to capital have been excluded from the direct service costs, as these reflect financing costs. Moreover, capital costs have been provided for separately within the analysis.

**Table 2-2
City Business Units Directly Participating in Development Application Review**

Direct Business Units
Building
Public Works
Fire
Parks & Recreation
Planning
Finance
Administration/Clerks

2.5 Indirect Cost Functions and Cost Drivers

An ABC review includes both the direct service cost of providing service activities as well as the indirect support costs that allow direct service business units to perform these functions. The method of allocation employed in this analysis is referred to as a step costing approach. Under this approach, support function and general corporate overhead functions are classified separate from direct service delivery departments. These indirect cost functions are then allocated to direct service delivery departments based on a set of cost drivers, which subsequently flow to development fee categories according to staff effort estimates. Cost drivers are a unit of service that best represent the consumption patterns of indirect support and corporate overhead services by direct service delivery business units. As such, the relative share of a cost driver (units of service consumed) for a direct department determines the relative share of support/corporate overhead costs attributed to that direct service department. An example of a cost driver commonly used to allocate information technology support costs would be a business unit's share of supported personal computers. Cost drivers are used for allocation purposes acknowledging that these business units do not typically participate directly in the development review process, but that their efforts facilitate services being provided by the Township's direct business units.

Table 2-3 summarizes the support and corporate overhead functions included in the development fees calculations and the cost drivers assigned to each function for cost allocation purposes. The indirect support and corporate overhead cost drivers used in the fees model reflects accepted practices within the municipal sector by municipalities of similar characteristics.

Table 2-3
Indirect Support and Corporate Overhead Functions and Cost Drivers

Indirect Cost Functions	Cost Driver
<u>Indirect Support Functions</u>	
Facility Maintenance	Occupied Facility Square Footage
Information Technology	Personal Computers
Human Resources	Full Time Equivalencies
<u>Indirect Corporate Overhead Functions</u>	
Members of Council	Gross Operating Expenditures
General Administration	Gross Operating Expenditures

2.6 Capital Costs

The inclusion of capital costs within the full cost development fees calculations follow a methodology similar to indirect costs. Replacement value of assets commonly utilized to provide direct business unit services have been included to reflect capital costs of service. The replacement value approach determines that annual asset replacement value over the expected useful life of the respective assets. This reflects the annual depreciation of the asset over its useful life based on current asset replacement values using a sinking fund approach. This annuity is then allocated across all fee categories based on the capacity utilization of direct business units.

For facilities, the replacement costs are calculated based on R.S. Means Square Foot Costs Index, with an assumed 40-year average useful life. Building department fleet and equipment has also been identified and included in these capital costs.

3. Planning Application Fees Review

3.1 Staff Capacity Utilization Results

The planning application review process considered within this assessment involves to varying degrees, staff from multiple business units across the organization. The planning application processing effort estimates in this report reflect the City’s current business processes, 2013-2016 average application volumes and characteristics, and staffing allocation patterns currently in place across Township business units. The capacity utilization analysis considered time related to planning applications.

Table 3-1 summarizes the staff resource capacity utilization results for the planning department, as well as the for all other Township departments with direct involvement in processing planning applications. The department/division level results presented in Table 3-1 represent the staff resource utilization as a percentage of the entire department/division staff capacity, as well as in full-time equivalent (FTE) staff positions. These figures are used to allocate individual staff position salary wages and benefits to the various planning application fee costing categories, as well as the other departmental direct costs (e.g. materials and supplies) and indirect support and general overhead costs (including capital costs).

**Table 3-1
Planning Application Resource Utilization by Business Unit (in Full Time
Equivalents)**

Department / Business Unit	Staff (in Model)	Planning	
		% Utilization	FTE
Building	3	1.7%	0.05
Planning	1	37.5%	0.38
Public Works	3	0.7%	0.02
Fire & Emergency Services	3	1.1%	0.03
Parks & Leisure Services	3	0.2%	0.01
By-law Enforcement	1	0.0%	0.00
Finance	5	1.3%	0.06
Administration/Clerks	5	1.4%	0.07

The following observations are provided based on the results of the capacity analysis presented in Table 3-1:

- On average approximately 37.5% of all available planning staff resources, or 0.38 FTEs, are fully consumed annually processing applications. This level of planning recovery is conservative when compared with levels of participation in

other Ontario municipalities, reflecting a significant amount of non-planning application processing effort provided by planning departments for corporate management, Ontario Municipal Board appeals, and public information tasks.

- All other Township departments provide relatively small allotments of effort to planning applications annually, each individually reaching less than 2.0% of staff capacity utilization.

3.2 Planning Application Type Impacts

As presented in the introduction, the *Planning Act* requires fees to be cost justified at the application type level. Moreover, recent OMB decisions require that there is consideration given to the marginal costs of processing applications of varying size and complexity. In this regard, planning applications review processes have been costed at the application type level. Application costs reflect the organizational direct, indirect, and capital costs based on 2017 budget estimates. Table 3-2 summarizes the per application processing costs compared with per application revenues derived from the Township’s current fee structure.

As presented in Table 3-2, all planning application fees should be increased to improve cost recovery levels by application type, as all current planning application types recover no more than 50% of processing costs. As there are currently no variable fee components, the recommended fee increases maintain the current flat fee rate structure.

**Table 3-2
Planning Fees Modelling Impacts by Application Type (2017\$)**

Application Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
Consent / Severance	1,229	-	(1,229)	0%
Minor Variance	2,577	1,060	(1,517)	41%
Site Plan	4,408	1,560	(2,848)	35%
Subdivision	6,543	3,280	(3,263)	50%
Zoning By-law Amendment	4,572	1,810	(2,762)	40%

3.3 Rate Structure Analysis

Fee structure recommendations were developed in regards to the cost revenue impacts presented in Table 3-2. The recommended fee structure seeks to align the recovery of processing costs to application characteristics to balance *Planning Act* compliance,

applicant benefits, and municipal revenue certainty. The following recommendations, which are also summarized in Table 3-3, are presented in 2017\$ and may need be inflated for imposition in 2018 by the Township's annual inflation rate.

Consent/Severance

The Township is not the approval authority for consent/severance applications, and as such, does not currently charge for processing activities provided in regards to these applications. The Township does incur costs for the processing of these types of applications. Moreover, the Township may employ the use of third-party consultants for professional engineering, planning, or legal expertise, whose costs are directly incurred by the applicant. In discussions with Township staff it was determined that fees would not be imposed to recover Township costs of processing these applications, as such the processing costs identified above are provided as a means for future consideration of cost recovery possibilities.

Full Cost Recovery Recommendation

- Maintain the current practice of only charging external consultant fees to applicants (i.e. no fees imposed for Township processing costs).

Minor Variance

The Township's currently charges \$1,060 for minor variance applications which recovers 41% of its anticipated costs. Additionally, the Township may employ the use of third-party consultants for professional engineering, planning, or legal expertise, whose costs shall be incurred by the applicant.

Full Cost Recovery Recommendation

- Maintain the existing flat fee structure and increase the fee to \$2,577 per application.
- Maintain the current practice of charging external consultant fees to applicants at cost.

Site Plan

The Township currently charges a flat administrative fee of \$1,560 in addition to a deposit of \$1,000, which is returned to the applicant upon project completion and final payment to the Township. Site plan applications currently recover 35% of their anticipated processing costs. Additionally, the Township may employ the use of third-

party consultants for professional engineering, planning, or legal expertise, whose costs shall be incurred by the applicant.

Full Cost Recovery Recommendation

- Maintain the existing flat administration fee structure and increase the fee to \$4,408 per application.
- Maintain the \$1,000 deposit.
- Maintain the current practice of charging external consultant fees to applicants at cost.

Subdivision

The Township currently charges a flat fee of \$3,280 for subdivision applications, which currently recovers 50% of its anticipated costs. Additionally, the Township may employ the use of third-party consultants for professional engineering, planning, or legal expertise, whose costs shall be incurred by the applicant.

Full Cost Recovery Recommendation

- Maintain the existing flat fee structure and increase the fee to \$6,543 per application.
- Maintain the current practice of charging external consultant fees to applicants at cost.

Zoning By-law Amendment

The Township currently charges a flat administrative fee of \$1,810 in addition to a deposit of \$2,000, which is returned to the applicant upon project completion and final payment to the Township. Zoning by-law amendment applications currently recover 40% of their anticipated processing costs. Additionally, the Township may employ the use of third-party consultants for professional engineering, planning, or legal expertise, whose costs shall be incurred by the applicant.

Full Cost Recovery Recommendation

- Maintain the existing flat administration fee structure and increase the fee to \$4,572 per application.
- Maintain the \$2,000 deposit.
- Maintain the current practice of charging external consultant fees to applicants at cost.

**Table 3-3
Comparison of Planning Application Fees Under the Township's Current By-Law
and Recommended Fees (2017\$)**

Planning Application Type	Current Fee Structure		Recommended Fee Structure	
	Flat Fee (Non-refundable)	Deposit Fee (Refundable)	Flat Fee (Non-refundable)	Deposit Fee (Refundable)
Consent / Severance	-	-	-	-
Minor Variance	1,060	-	2,577	-
Site Plan	1,560	1,000	4,408	1,000
Subdivision	3,280	-	6,543	-
Zoning By-law Amendment	1,810	2,000	4,572	2,000

4. Building Permits Fees Review

4.1 Staff Capacity Utilization Results

Similar to the analysis undertaken for planning applications, the fee review for building permits fees considers application activity and characteristics witnessed over the 2013-2016 period. Typical processing effort estimates were provided for each fee costing category and these estimates were reviewed against the Township's current resource capacity and estimates in other municipalities to ensure reasonableness.

Table 4-1 summarizes the staff resource capacity utilization results for the building department, as well as the for all other Township departments with direct involvement in building permit review. The department/division level results presented in Table 4-1 represent the staff resource utilization as a percentage of the total available capacity of the staff positions included in the model for each department/division. Furthermore, the capacity utilization results are also presented as FTE staff positions. These figures are used to allocate individual staff position salary wages and benefits to the various planning application fee costing categories, as well as the other departmental direct costs (e.g. materials and supplies) and indirect support and general overhead costs (including capital costs). In addition to identifying the staff utilization in aggregate across all building permit activities Table 4-1 also aggregates the staff capacity utilization by major permit types.

**Table 4-1
Comparison of Building Permit Resource Utilization by Business Unit (in Full Time Equivalents)**

Department / Business Unit	Staff (in Model)	Group A & B (Assem. & Inst.)	Group C (Res.)	Group D, E & F (Office, Merc. & Ind.)	Other Permit Types	Septic Re-Inspection Program	Total - % Utilization	Total - # of FTEs
Building	3	3.4%	58.2%	8.4%	28.2%	0.2%	98.3%	2.95
Planning	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Public Works	3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Fire & Emergency Services	3	0.3%	0.0%	1.4%	0.0%	0.0%	1.7%	0.05
Parks & Leisure Services	3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
By-law Enforcement	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Finance	5	0.0%	0.3%	0.0%	0.0%	0.0%	0.3%	0.01
Administration/Clerks	5	0.2%	4.1%	0.6%	2.0%	0.0%	7.0%	0.35

The following observations are provided based on the results of the capacity analysis presented in Table 4-1:

- The majority of processing effort is contributed by the building department (2.95 FTEs), with lower amounts being provided by administration/clerks (0.35 FTEs), fire and emergency services (0.05 FTEs), and finance (0.01 FTEs).
- Building spends the majority of its time (58.2%) of its time processing residential (Group C) applications.
- Fire and emergency services is only involved in reviewing non-residential (Groups A, B, D, E, and F) applications.
- Finance is only involved in reviewing residential (Group C) applications.

4.2 Full Cost Building Permit Fees

Table 4-2 summarizes the Township's costs of providing building permit processing services on a per application/permit basis. The per application/permit costs reflect the organizational direct, indirect, and capital costs based on 2017 budget estimates. Costs are compared with revenues derived from current application/permit fees and average charging parameters (e.g. average permit size). Historical applications were reviewed from the Township's data to determine average application/permit size estimates for revenue purposes.

The findings in Table 4-2 indicate that building permits for new residential, residential sheds and garages, and Group A and B new and additions are generally recovering costs of processing and providing sustainability for building code services. Conversely, residential additions, renovations, and decks, Group D, E, and F renovations, and other miscellaneous permits typically under recover the costs of service. Based on average historical permit volumes, building permits are generally recovering 80% of the total costs of service. The sustainability of this performance level is examined further in the next section.

**Table 4-2
Building Permit
Modeling Impact by Application Type (2017\$)**

Application Type	Per Application Impact			
	Total Costs per Application	Average Revenue per Application	Net Position	% Recovery
Group A - Assembly				
New and Additions	6,605	17,512	10,907	265%
Renovations	2,192	1,533	(659)	70%
Group B - Institutional				
New and Additions	6,605	17,512	10,907	265%
Renovations	2,192	1,533	(659)	70%
Group C - Residential				
New	2,890	3,018	128	104%
Additions	2,013	1,098	(915)	55%
Renovations	1,444	401	(1,043)	28%
Decks	963	188	(775)	20%
Sheds & Garages	397	538	141	136%
Group D - Office				
New and Additions	5,598	5,298	(300)	95%
Renovations	2,197	1,478	(719)	67%
Group E - Mercantile				
New and Additions	5,598	5,298	(300)	95%
Renovations	2,197	1,478	(719)	67%
Group F - Industrial				
New and Additions	5,598	5,298	(300)	95%
Renovations	2,197	1,478	(719)	67%
Farm Buildings				
Livestock Barns	1,862	1,545	(317)	83%
Other Accessory Buildings	842	536	(306)	64%
Other Permit Fees				
Demolition Permit	461	105	(356)	23%
Pool & Fencing	842	255	(587)	30%
Solar Panels	461	100	(361)	22%
Tents	461	107	(354)	23%
Septic Systems				
New	1,054	507	(547)	48%
Replacement	444	109	(335)	25%

4.3 Fee Structure Recommendations and Building Code Act Reserve Fund Design

4.3.1 Building Code Act Reserve Fund Design

Building Code Act municipal financial reporting regulations recognize the legitimacy of creating a municipal reserve fund(s) to manage Building Code responsibilities. While the Act does not prescribe a specific methodology for determining an appropriate reserve fund, municipalities have developed building permit reserve funds providing service stabilization. The Township currently has a building permit reserve fund established for this purpose.

Reserve funds should be developed to reduce the staffing and budgetary challenges associated with a cyclical economic downturn and the requirement for ongoing legislative turnaround time compliance. Without such a reserve fund, reduced permit volumes during a downturn could result in severe budgetary pressures and the loss of certified Township building staff, which would be difficult to replace during the subsequent recovery when mandatory permit processing turnaround times apply. A reserve fund stabilization policy provides the Township with the ability to retain a sustainable portion of the qualified staff across a future economic downturn, while recognizing the Township's need to manage resources either through resource management or until permit volumes improve during an economic recovery.

As part of the *Building Code Act* fees review undertaken for the City in 2008, it was recommended that the City adopt a reserve fund strategy and pricing structure to accumulate 1.24 years' total building permit direct costs in a reserve fund. This multiple was arrived through determining the volume of building permit activity lost due to the, at the time, most recent economic downturn, and lowering the calculated multiple by 25% to account for the Township's ability to internally manage direct department costs related to building permit processing. The study further recommended that this target be achieved in five years, recognizing the general timing of economic cycles.

This study utilizes the same 1.24 multiple of building permit direct costs as the target level of funding for the building permit reserve fund. Based on the annual modeled direct costs of approximately \$360,751, the building permit reserve fund target funding level should be \$447,331. The Township had a closing balance of almost \$195,136 at year-end 2016, which means a residual dollar amount of \$252,195 would be required to reach the target multiple. Utilizing an identical phase-in approach as the prior study, \$50,439 would need to be contributed annually over five years to reach this goal.

Again, the ultimate reserve target is 1.24 years of direct costs, not the current dollar value representation of this multiple.

4.3.2 Building Permit Fee Recommendations

The Township currently imposes building permit fees based on construction value for most of its building permits. Municipal practice has largely changed in this respect, with building permit fees being imposed on a gross floor area basis. This has largely been done in response to construction value not being a directly verifiable charging parameter, creating revenue uncertainty for municipalities. Therefore, it is recommended that the Township adopt a fee structure using gross floor area as the main charging parameter, with other fee structures utilized only for specific cases.

Building permit fee increases have been recommended to achieve full cost recovery and move towards reserve fund sustainability as discussed in the previous section. As summarized in Table 4-2 above, the various building permit fees imposed by the Township vary significantly in terms of the modelled recovery of the per permit costs of service. Fee recommendations have been made in the first instance to increase underperforming fees, or to move to the median of witnessed market levels where full cost fees would be beyond market levels. Table 4-3 below details the recommended building permit fees, their charging parameters, and any applicable minimum fees.

Appendix A contains a survey of building fees (2017\$) with selected peer municipalities. In order to compare like to like, all comparator municipalities' fees are presented in charging parameters identical to those as identified in Table 4-3. Where a comparator municipality's charging parameter for a given permit type did not match, or included ancillary fees, the fees were calculated based on average permit characteristics witnessed in the Township from 2013-2016. This comparison was used in determining the market competitiveness of building permit fee recommendations.

**Table 4-3
Recommended Building Permit Fees (2017\$)**

Permit Fee Category	Charge Type	Recomm. Fee	Minimum Fee	Maximum Fee
Group A - Assembly				
New and Additions	\$ / ft ²	2.41	125	
Renovations	\$ / ft ²	0.53	125	
Group B - Institution				
New and Additions	\$ / ft ²	2.60	125	
Renovations	\$ / ft ²	0.53	125	
Group C - Residential				
New - Single Family Dwelling	\$ / ft ²	1.28	125	
New - Multi. Unit Buildings / Accessory Apartment	\$ / ft ²	1.42	125	
Additions	\$ / ft ²	1.28	125	
Renovations / Finished Basements	\$ / ft ²	0.63	125	
Decks	Flat	188.00		
Sheds and Garages	\$ / ft ²	0.60	125	
Group D - Office				
New/Additions - Finished	\$ / ft ²	1.85	125	
New/Additions - Shell	\$ / ft ²	1.50	125	
Renovations	\$ / ft ²	0.54	125	
Storefront Replacement	Flat	230.00		
Group E - Mercantile				
New/Additions - Finished	\$ / ft ²	1.66	125	
New/Additions - Shell	\$ / ft ²	1.43	125	
Renovations	\$ / ft ²	0.54	125	
Storefront Replacement	Flat	230.00		
Group F - Industrial				
New and Additions	\$ / ft ²	1.00	125	
Renovations	\$ / ft ²	0.54	125	
Farm Buildings				
Livestock Barns	\$ / ft ²	0.68	125	
Manure Storage	Flat	340.00		
Silo / Grain Bin	Flat	340.00		
Other Accessory Buildings	\$ / ft ²	0.51	125	

**Table 4-3 (cont.)
Recommended Building Permit Fees (2017\$)**

Permit Fee Category	Charge Type	Recomm. Fee	Minimum Fee	Maximum Fee
Other Permit Fees				
Demolition Permit	\$ / ft ²	0.12	125	
Fire Alarm/Sprinkler System	\$ / Linear ft	0.06	125	
Fire Tank Reservoir	Flat	535.00		
Foundation Only	\$ / ft ²	0.20	125	
L.L.B.O. Inspection Letter	Flat	89.00		
Plumbing	\$ / Linear ft	0.70	125	
Plumbing Fixtures	\$ / Fixture	15.00	125	
Pool & Fencing	Flat	255.00		
Retaining Walls	\$ / Linear ft	2.88	125	
School Portables	Flat	250.00		
Signs	Flat	145.00		
Solar Panels	Flat	290.00		
Tents	Flat	350.00		
Underpinning of Existing Foundations	\$ / Linear ft	2.88	125	
Wood Burning Stove	Flat	130.00		
Septic Systems				
New	Flat	520.00		
Tank Replacement	Flat	230.00		
Septic Re-Inspection				
Compliance Letters	Flat	30.00		
Enforcing Compliance	Flat	148.00		
Miscellaneous				
Alternative Solution - Part 3 & 9: Non-Residential	Flat	425.00		
Alternative Solution - Part 9: Residential	Flat	675.00		
Change of Use	Flat	135.00		
File Search Fee	\$ / Hour	95.00		
Illegal Building	% Inc. to BP Fee	100%		5,000
Not Ready for Inspection	Flat	125.00		
Revision of Building Permit	Flat	215.00		

5. Impact Analysis of Recommended Fee Structure

In order to understand the impacts of the full cost recovery planning application and building permit fee structure recommendations, an impact analysis for sample developments has been prepared.

5.1 Impact Analysis

Three development types have been considered, including:

- Residential subdivision application of 50 single detached units
- Site plan and zoning by-law amendment application for an industrial building of 10,000 square feet
- Residential deck building permit application

Tables and Figures 5-1 through 5-3 provide development fee comparisons for selected municipalities. The development fee comparison includes planning application fees, building permit fees and development charges for the first two development types (residential subdivision and industrial), and only building permit fees for the third (deck).¹ Upper tier fees have been included where appropriate, and the development charges also include those collected by school boards. The comparison illustrates the impacts of the planning application and building permit fee structure options in the context of the total development fees payable to provide a broader context for the fee considerations.

5.1.1 Residential Single Detached Dwelling Unit (Figure 5-1 & Table 5-1)

A 50-unit single detached residential subdivision in the Township of Guelph/Eramosa would currently pay \$237 per unit in subdivision fees and \$1,444 per unit in building permit fees under the Township's current fee structure.

Under the recommended fee structure, subdivision fees would increase by over \$65 per unit (+28%) and building permit fees would increase by \$860 per unit (+60%). Including development charges, total development fees for this type of applicant would increase

¹ Planning application and building permit fees are those charged in 2017 in efforts to keep like-to-like comparisons, while all development charges have been updated to reflect 2018 values.

by 43% from \$2,135/unit to \$3,060/unit. The Township would rise from the bottom third to the top third of the municipal comparison for the development type.

5.1.2 Industrial Building (10,000 ft²) – Site Plan and Zoning By-law Amendment Application (Figure 5-2 & Table 5-2)

The current planning fees for an industrial site plan and zoning by-law amendment of 10,000 ft² would be \$3,370. Imposing the recommended fee structure would result in a fee of \$8,980, an increase of \$5,610 or 166%. The recommended increase to industrial building permit fees would add an additional \$660 (+7%) to a total of \$10,000.

Measuring the impact including development charges, the total application cost would increase by 7%. Under this recommendation, the Township's position relative to the comparator municipalities would increase from 7th to 4th out of 15 municipalities.

5.1.3 Residential Deck Application (Figure 5-3 & Table 5-3)

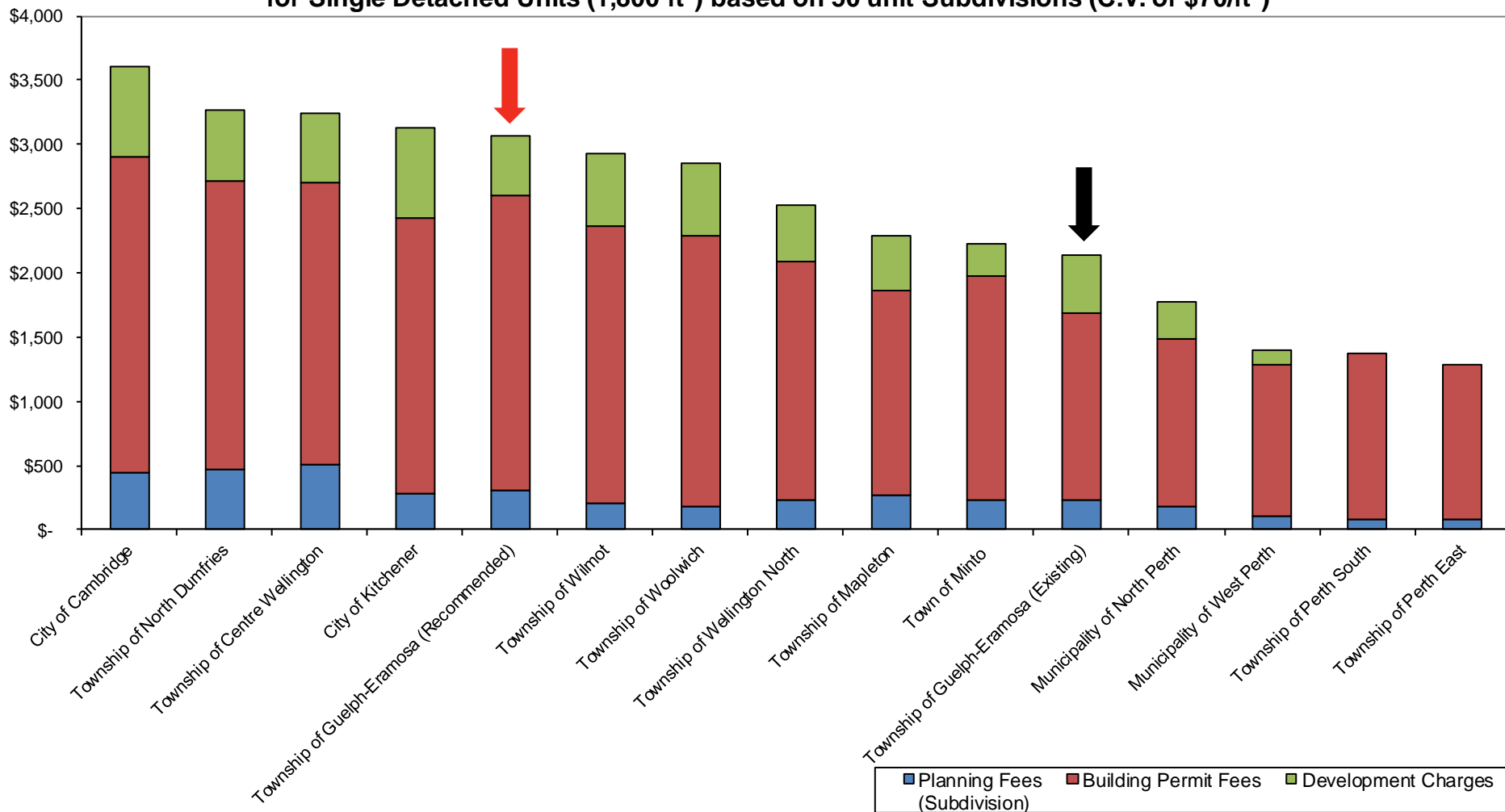
The current building permit fees for a residential deck in the Township would cost \$192. Imposing the recommended fees would lower the cost to \$188, a decrease of \$4 (-2%). Under this recommendation, the Township's position relative to the comparator municipalities would decrease from 4th to 6th out of 15 municipalities.

5.2 Impact Analysis Summary

Based on the survey results, the recommended fees generally produce development fees greater than those provided under the current fee structure. However, when assessing the impacts for Site Plan fees individually, the larger non-residential applications see a decrease in Site Plan fees under the recommended fee structure. This reduction is as a result of the recommended fee structure being based on lower charging parameters than what had been generated in the 2011 review. The recommended fee structure for Site Plan applications was adjusted to allow for greater cost recovery from smaller applicants and to produce less over recovery of costs from larger applicants, mitigating the risk of OMB appeal. Finally, while the total planning and building permit fee impacts are significant in most cases, when measured on a total development cost basis, including development charges, the overall cost impacts are nominal for large applications.

Figure 5-1

Comparison of Planning Fees, Building Permit Fees and Development Charges for Single Detached Units (1,800 ft²) based on 50 unit Subdivisions (C.V. of \$70/ft²)

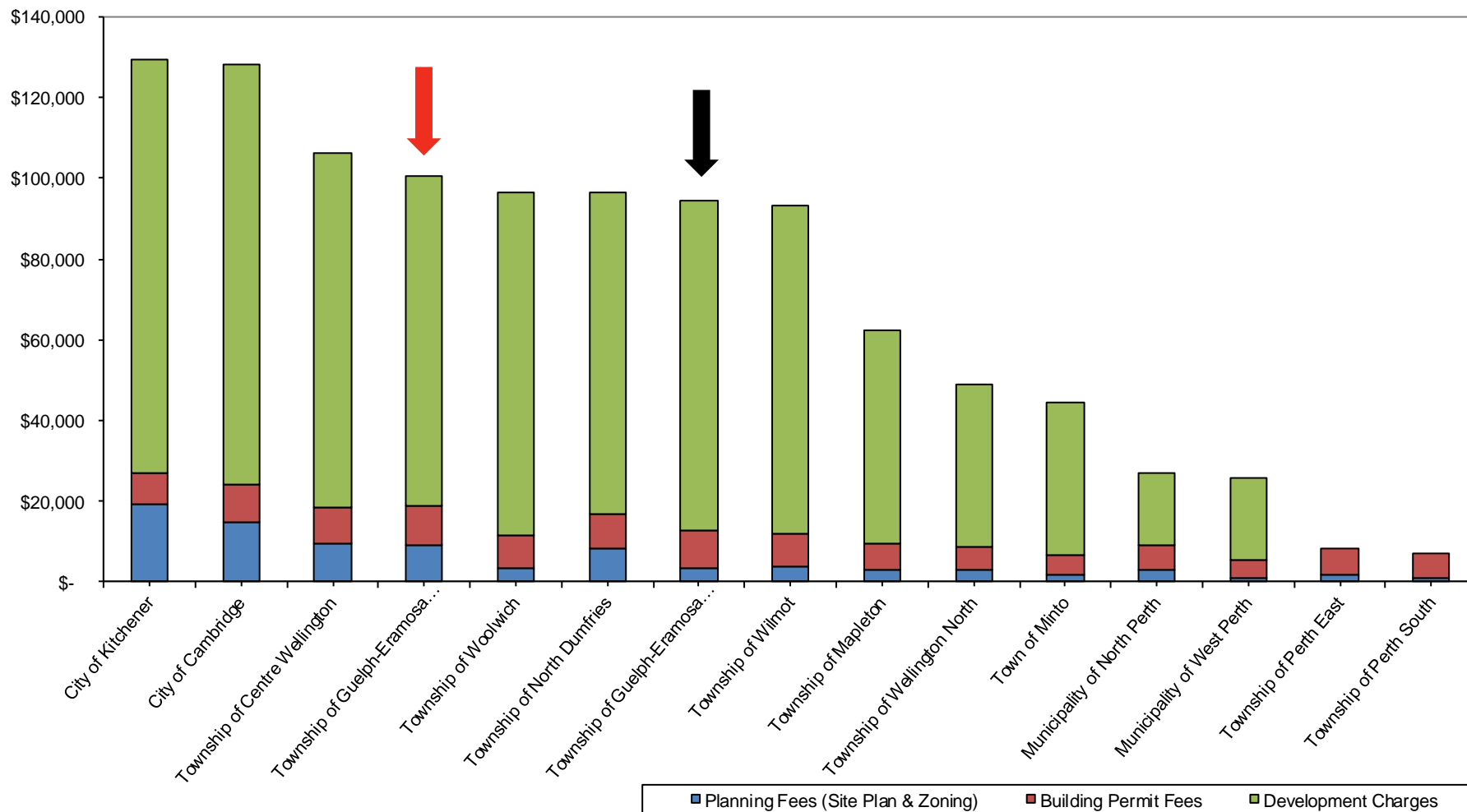


**Table 5-1
Development Fee Impacts for a Residential Single Detached (50 unit) Subdivision**

Rank	Municipality	Planning Fees (Subdivision)	Building Permit Fees	Development Charges	Total Fees	Planning Fees %	Building Permit Fees %
1	City of Cambridge	\$ 443	\$ 2,466	\$ 703	\$ 3,612	12%	68%
2	Township of North Dumfries	\$ 469	\$ 2,250	\$ 545	\$ 3,263	14%	69%
3	Township of Centre Wellington	\$ 508	\$ 2,196	\$ 537	\$ 3,241	16%	68%
4	City of Kitchener	\$ 279	\$ 2,142	\$ 708	\$ 3,129	9%	68%
5	Township of Guelph-Eramosa (Recommended)	\$ 302	\$ 2,304	\$ 454	\$ 3,060	10%	75%
6	Township of Wilmot	\$ 203	\$ 2,160	\$ 565	\$ 2,928	7%	74%
7	Township of Woolwich	\$ 180	\$ 2,106	\$ 564	\$ 2,850	6%	74%
8	Township of Wellington North	\$ 234	\$ 1,857	\$ 442	\$ 2,532	9%	73%
9	Township of Mapleton	\$ 274	\$ 1,585	\$ 436	\$ 2,294	12%	69%
10	Town of Minto	\$ 231	\$ 1,740	\$ 257	\$ 2,228	10%	78%
11	Township of Guelph-Eramosa (Existing)	\$ 237	\$ 1,444	\$ 454	\$ 2,135	11%	68%
12	Municipality of North Perth	\$ 180	\$ 1,306	\$ 286	\$ 1,772	10%	74%
13	Municipality of West Perth	\$ 110	\$ 1,180	\$ 108	\$ 1,398	8%	84%
14	Township of Perth South	\$ 80	\$ 1,290	\$ -	\$ 1,370	6%	94%
15	Township of Perth East	\$ 80	\$ 1,206	\$ -	\$ 1,286	6%	94%

Figure 5-2

Comparison of Planning Fees, Building Permits Fees and Development Charges
For an Industrial Building (10,000 ft², C.V. of \$160/ft²)



**Table 5-2
Development Fee Impacts for an Industrial Building (10,000 ft²)**

Rank	Municipality	Planning Fees (Site Plan & Zoning)	Building Permit Fees	Development Charges	Total Fees	Planning Fees %	Building Permit Fees %
1	City of Kitchener	\$ 19,334	\$ 7,800	\$ 102,250	\$ 129,384	15%	6%
2	City of Cambridge	\$ 14,790	\$ 9,500	\$ 104,000	\$ 128,290	12%	7%
3	Township of Centre Wellington	\$ 9,475	\$ 9,200	\$ 87,800	\$ 106,475	9%	9%
4	Township of Guelph-Eramosa (Recommended)	\$ 8,980	\$ 10,000	\$ 81,600	\$ 100,580	9%	10%
5	Township of Woolwich	\$ 3,255	\$ 8,200	\$ 85,200	\$ 96,655	3%	8%
6	Township of North Dumfries	\$ 8,250	\$ 8,700	\$ 79,400	\$ 96,350	9%	9%
7	Township of Guelph-Eramosa (Existing)	\$ 3,370	\$ 9,340	\$ 81,600	\$ 94,310	4%	10%
8	Township of Wilmot	\$ 4,000	\$ 8,000	\$ 81,400	\$ 93,400	4%	9%
9	Township of Mapleton	\$ 2,910	\$ 6,825	\$ 52,700	\$ 62,435	5%	11%
10	Township of Wellington North	\$ 3,225	\$ 5,355	\$ 40,200	\$ 48,780	7%	11%
11	Town of Minto	\$ 1,700	\$ 4,800	\$ 37,800	\$ 44,300	4%	11%
12	Municipality of North Perth	\$ 3,160	\$ 6,100	\$ 17,800	\$ 27,060	12%	23%
13	Municipality of West Perth	\$ 1,050	\$ 4,300	\$ 20,600	\$ 25,950	4%	17%
14	Township of Perth East	\$ 1,665	\$ 6,700	\$ -	\$ 8,365	20%	80%
15	Township of Perth South	\$ 1,210	\$ 5,702	\$ -	\$ 6,912	18%	82%

Figure 5-3

Comparison of Building Permit Fees for a New Deck (300 ft², C.V. of \$8,000)

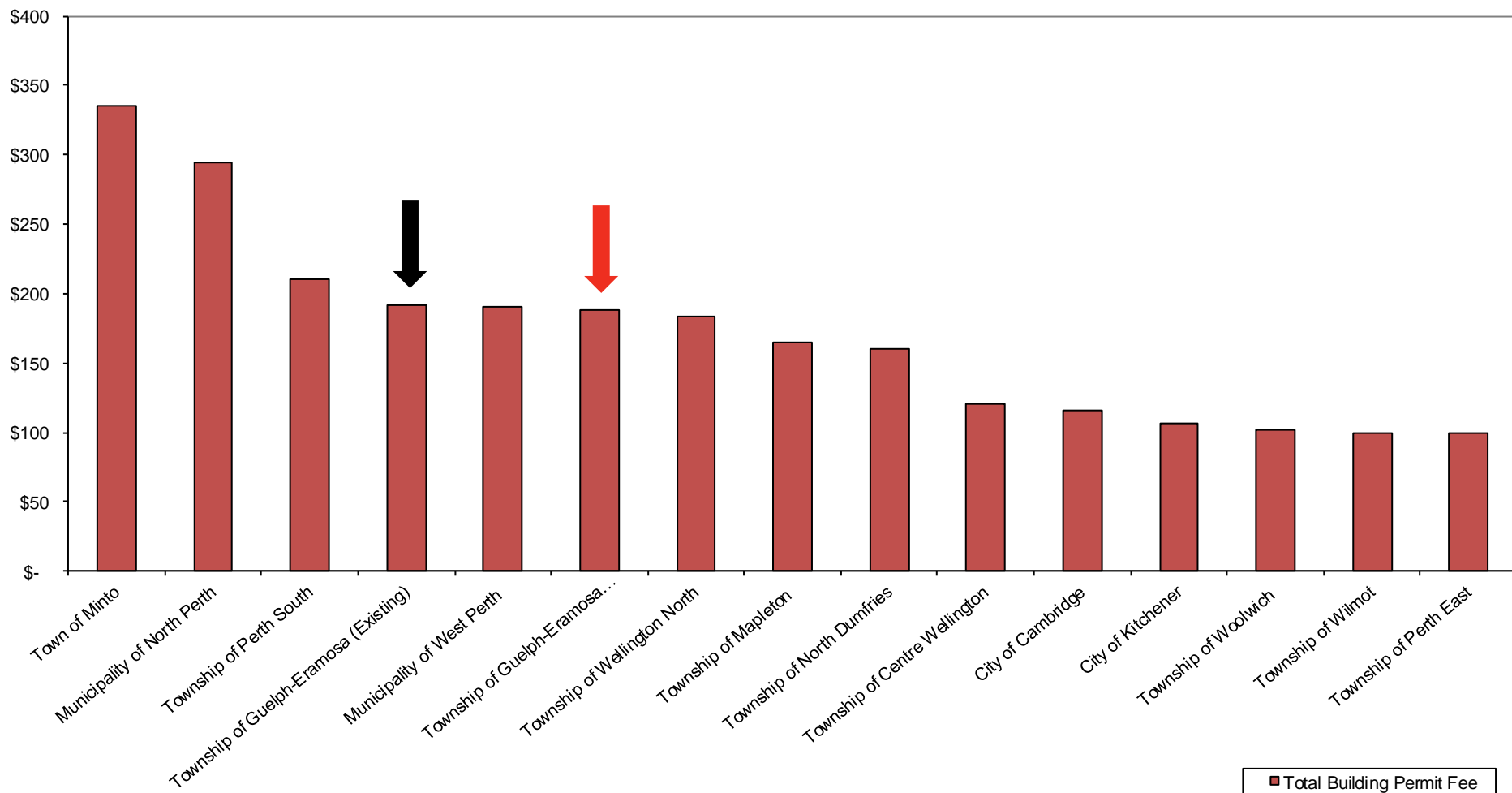


Table 5-3
Building Permit Fee Impacts for a Residential Deck (300 ft², C.V. of \$8,000)

Rank	Municipality	Building Permit Fees
1	Town of Minto	\$ 335
2	Municipality of North Perth	\$ 295
3	Township of Perth South	\$ 210
4	Township of Guelph-Eramosa (Existing)	\$ 192
5	Municipality of West Perth	\$ 190
6	Township of Guelph-Eramosa (Recommended)	\$ 188
7	Township of Wellington North	\$ 184
8	Township of Mapleton	\$ 165
9	Township of North Dumfries	\$ 160
10	Township of Centre Wellington	\$ 120
11	City of Cambridge	\$ 116
12	City of Kitchener	\$ 106
13	Township of Woolwich	\$ 102
14	Township of Wilmot	\$ 100
15	Township of Perth East	\$ 99

6. Development Fees Review Study Conclusions

6.1 Conclusions

Summarized in this technical report is the legislative context for the development fees review, the methodology undertaken, ABC results and the associated full cost recovery and fee structure recommendations. In developing the recommended cost recovery fee structure, careful consideration was given to the recent trends pertaining to planning fees, including recent comments of the Ontario Municipal Board concerning planning application fees. Building permit fee recommendations considered the mix of building permit application activity, affordability concerns, and service demands in addressing current under recovery of service costs and provisions for sustainable reserves. Additionally, building permit fee recommendations proposed changes to the charging parameters for the majority of permit types to better conform to municipal norms, via the use of gross floor areas as the charging parameter rather than construction value.

The intent of the user fee review is to provide the Township with a recommended fee structure for Council's consideration to appropriately recover the service costs from benefiting parties. The municipality will ultimately determine the level of cost recovery and phasing strategy that is suitable for their objectives.

Appendix A – Building Permit Fee Municipal Survey

**Table A-1
Building Fee Survey**

Permit Fee Category	Charge Type	Centre Wellington	Erin	Mapleton	Minto	Wellington North	Woolwich	Guelph	Puslinch	Average	Median	High	Low
Group A - Assembly													
New and Additions	\$ / ft ²	2.05	1.00	0.67	0.67	0.90	2.08	2.41		1.40	1.00	2.41	0.67
Renovations	\$ / ft ²	0.40	0.80	0.73	0.50	0.47	0.21	0.36		0.50	0.47	0.80	0.21
Group B - Institution													
New and Additions	\$ / ft ²	2.07	1.00	0.67	0.67	0.90	2.26	2.60		1.45	1.00	2.60	0.67
Renovations	\$ / ft ²	0.40	0.80	0.73	0.50	0.47	0.21	0.36		0.50	0.47	0.80	0.21
Group C - Residential													
New - Single Family Dwelling	\$ / ft ²	1.22	0.93	0.84	0.93	0.99	1.17	1.28		1.05	0.99	1.28	0.84
New - Multi-Res	\$ / ft ²	1.22	0.93	0.84	1.33	0.99	1.24	1.66		0.11			
Additions	\$ / ft ²	1.22	0.88	0.92	1.14	1.13	1.17	1.28		1.11	1.14	1.28	0.88
Renovations	\$ / ft ²	0.40	0.78	0.98	1.05	0.62	0.21	0.36		0.63	0.62	1.05	0.21
Decks	Flat	120	258	174	374	201	102	100	156	186	165	374	100
Sheds and Garages	\$ / ft ²	0.62	0.67		0.63	0.49	0.41		0.73	0.59	0.62	0.73	0.41
Group D - Office													
New/Additions - Finished	\$ / ft ²	1.85	1.00	0.68	0.83	0.91	1.57	1.66		1.21	1.00	1.85	0.68
New/Additions - Shell	\$ / ft ²	1.40	1.00	0.68	0.83	0.91	1.50	1.43		1.11	1.00	1.50	0.68
Renovations	\$ / ft ²	0.40	0.80	0.73	0.45	0.41	0.21	0.36		0.48	0.41	0.80	0.21
Storefront Replacement	Flat	402		100				200		234			
Group E - Mercantile													
New/Additions - Finished	\$ / ft ²	1.19	1.00	0.68	0.83	0.91	1.57	1.66		1.12	1.00	1.66	0.68
New/Additions - Shell	\$ / ft ²	0.83	1.00	0.68	0.83	0.91	1.09	1.43		0.97	0.91	1.43	0.68
Renovations	\$ / ft ²	0.40	0.80	0.73	0.45	0.41	0.21	0.36		0.48	0.41	0.80	0.21
Storefront Replacement	Flat	402.00		100.00				200.00		234.00			
Group F - Industrial													
New and Additions	\$ / ft ²	0.92	1.00	0.68	0.83	0.53	0.82	0.89		0.81	0.83	1.00	0.53
Renovations	\$ / ft ²	0.40	0.80	0.73	0.50	0.41	0.21	0.36		0.49	0.41	0.80	0.21
Farm Buildings													
Livestock Barns	\$ / ft ²	0.48	0.68	0.32	0.22	0.21	0.35	0.43	0.27	0.37	0.34	0.68	0.21
Manure Storage	Flat			550			128			339	339	550	128
Silo	Flat		1,000	350	325		128			451	338	1,000	128
Other Accessory Buildings	\$ / ft ²		0.30	0.36	0.51	0.21		0.43	0.27	0.35	0.33	0.51	0.21

**Table A-1 (cont.)
Building Fee Survey**

Permit Fee Category	Charge Type	Centre Wellington	Erin	Mapleton	Minto	Wellington North	Woolwich	Guelph	Puslinch	Average	Median	High	Low
Other Permit Fees													
Demolition Permit	\$ / ft ²	0.18	0.52	0.05	0.05	0.05	0.01	0.03	0.06	0.12	0.05	0.52	0.01
Fire Alarm/Sprinkler System	\$ / Linear ft	0.07					0.06	0.06		0.06	0.06	0.07	0.06
Fire Tank Reservoir	Flat												
Foundation Only	\$ / ft ²	0.20						0.12	0.20	0.17	0.20	0.20	0.12
L.L.B.O. Inspection Letter	Flat					127	51			89	89	127	51
Plumbing	\$ / Linear ft	0.59					0.70	0.77		0.69	0.70	0.77	0.59
Plumbing Fixtures	\$ / Fixture												
Pool & Fencing	Flat		364	100	138	126	102	200	210	177	138	364	100
Retaining Walls	\$ / Linear ft	2.88					2.04	3.70		2.87	2.88	3.70	2.04
School Portables	Flat	460			240	255	122	200		255	240	460	122
Signs	Flat	119	100				102		260	145	111	260	100
Solar Panels	Flat	195	491		300	255	100	416		293	278	491	100
Tents	Flat	120	1,555		138	126	102	200	260	357	138	1,555	102
Underpinning of Existing Foundations	\$ / Linear ft												
Wood Burning Stove	Flat	201		100	138	127	100			133	127	201	100
Septic Systems													
New	Flat		500	500	450	504	459	600	624	520	500	624	450
Replacement	Flat		200		150	126	153	300	468	233	177	468	126
Miscellaneous													
Alternative Solution - Part 3 & 9: Non-Residential	Flat	402						500	364	422	402	500	364
Alternative Solution - Part 9: Residential	Flat	402						1,000	663	688	663	1,000	402
Change of Use	Flat		205		115	127	102			137	121	205	102
File Search Fee	\$ / Hour												
Illegal Building	% of BP Fee	100%	100%	100%		100%		50%		90%	100%	100%	50%
Not Ready for Inspection	Flat				90				156	123	123	156	90
Revision of Building Permit	Flat	388		100					156	215	156	388	100