

## **COMMUNICATION 131121**

Received From: Lennox Smith, Chief Building Official  
Addressed To: Committee of the Whole  
Date: October 27, 2020  
Topic: Public Meeting 2021 Permit Fees

### **SUMMARY**

This report summarizes the proposed changes to the Building Permit Fees for the 2021 building season. It discusses the new values, the way fees are to be calculated, impacts on staff time by these changes, and identifies which fees have been removed or amalgamated to create a more efficient process for the review and issuance of permits. With these changes, staff will better utilize their time when processing permits, allow easier determination of permit fees for the public and increase overall efficiency.

### **BACKGROUND**

#### **Current Fee Structure**

The current fee structure involves a calculation-based system that is both tedious and time consuming. It requires staff to determine area of the design by way of plans or scaling of plans to assign value for permits. It also requires staff to verify that the value of construction calculated by the applicant is accurate and not under-reported thereby reducing permit fees. These methods lead to potential conflict, difference in calculations and added time when issuing permits.

The previous fee schedule contained several convoluted and difficult to understand fee schedule provisions. In addition, items on the schedule were not located/grouped logically resulting in confusion when staff had to advise applicants of additional applicable fees.

#### **New Fee Structure**

Staff is proposing a flat-fee based structure which is more user friendly. This system relies on reasonable flat fee prices that are relatively equivalent to the current fees charged for the different permit types and is comparable to neighbouring communities that have similar growth patterns. In "Appendix A" you can see the new fee schedule with its easy to follow chart format.

A minimum permit fee has been added to the top of the schedule which will apply to several categories of standard projects such as sea containers for storage purposes, basic landings, exterior insulation install, foundation repair, etc. making it easy to determine the fees for most small projects. This fee represents an increase of less than 2% on the Town's existing minimum fee charge. Staff believes this fee is reasonable and is currently less than the fee charged by two of our neighbours.

Staff is not proposing any changes to the method of calculating Commercial, Industrial and Institutional, renovations, interior fit-ups and other addition type permit fees as staff believe the current methodology is sound however, staff is recommending a 2% increase for CPI.

Staff is recommending the largest change to housing permits. The new system utilizes a fixed fee for projects of certain finished areas that would result in approximately the same cost for a project as the system currently used. The new system adds in the average costs for the finished area, unfinished basement, plumbing fixtures, garage bays, HVAC, and rear decks. This system makes fee calculation very easy and efficient for staff and allows builders to easily see what the permit fees will cost.

The result is a more efficient model for calculating the costs of new housing while maintaining fees close to previous home building permit fees. When the average cost system fees were tested with a range of current permit information, the average price for a house in the ranges listed was +/- \$100.00.

Staff is also proposing changes to administrative fees including late fees for smaller projects, alternative solution review fees, and building compliance reports.

Additionally, fees for decks, garages, landings, and waterline replacements have been amended to better reflect the time and cost for the Department to review, inspect and process these classes of permits.

Pool Fees were also added to this schedule to maintain consistency with the proposed new minimum permit fee. A report to Committee will be brought forward in 2021 to remove the fee structure from the existing Pool and Pool Enclosures By-law.

Overall, the new fee structure is more streamlined and efficient, will help applicants budget for their projects, will assist staff in processing permits faster, and reduce confusion and conflict.

If Council is supportive of the new fee building permit fee structure, the next step is a required public meeting under the *Building Code* which requires 21 days' notice. Given this requirement, the proposed date for the public meeting is December 8, 2020.

### **FINANCIAL IMPLICATIONS**


Staff believes the changes to the fee structure will produce a similar revenue stream to previous years. The intention of this fee proposal is not to drastically increase fees but to increase staff's efficiency and provide clarity for applicants. Some smaller projects may see nominal fee increases however those permits are relatively infrequent and do contribute significantly to the Building Department's revenues.

The proposed new fee structure will continue to cover Building Department costs, thereby meeting the requirements of Bill 124 for the Department to be self-sufficient and not funded by tax dollars. As a result, staff believes the new fee schedule conforms to the requirements of Section 7(2) of the Ontario Building Code Act.

### **STAFF RECOMMENDATION**

THAT staff be directed to advertise the public meeting on the Building Department's proposed 2021 Building Permit Fee Schedule as outlined in the Chief Building Official's report dated October 27, 2020.

## “APPENDIX A”

 <b>TOWN OF CARLETON PLACE</b> 2021 Building Permit Fees	
<b>MINIMUM PERMIT FEE</b>	<b>\$115.00</b>
<b>Commercial, Industrial, Institutional &amp; Residential (Apartments, Condos and Hotels, Etc.)</b>	
New Building Construction	2.31% of the value of construction for the first \$500,000.00 plus 1.15% for all valuation thereafter.
Projects Covered <ul style="list-style-type: none"> <li>• Additions</li> <li>• Renovations &amp; Interior Fit Ups</li> <li>• Repairs</li> <li>• Alterations</li> <li>• New Accessory Apartments and Dwelling Units</li> </ul>	2.31% of the value of construction for the first \$500,000.00 plus 1.15% for all valuation thereafter plus \$11.25/Fixture Unit
Sea Container ( <i>Commercial, Industrial, Institutional storage use only</i> )	Minimum permit fee for each individual container, or Minimum permit fee per grouping of max four (4) sea containers – whichever applies.
Large Projects Deposit ( <i>Commercial, Industrial, Institutional projects</i> ) at discretion of CBO	\$5,000.00 Flat Fee ( <i>Deducted from the final permit cost</i> )
<b>New Residential Housing Construction</b>	
Projects Covered <ul style="list-style-type: none"> <li>• Single Detached Dwelling Unit</li> <li>• Semi-Detached Dwelling Unit</li> </ul> Prices indicated include the following: <ul style="list-style-type: none"> <li>• Attached Garage (max 3 bays)</li> <li>• Builder's rear deck/landing (at time of application)</li> <li>• HVAC system</li> <li>• Plumbing Fixtures</li> <li>• Up to 3 Storeys Building Height</li> <li>• All Finished Area.</li> </ul> ( <i>Note: Any finished basement area added after the original permit issued is charged out at \$13.63/m2</i> )	< 100m2 Total Finished Area = \$2,300.00 100 m2 – 119 m2 Total Finished Area = \$2,400.00 120 m2 – 139 m2 Total Finished Area = \$2,500.00 140 m2 – 159 m2 Total Finished Area = \$2,650.00 160 m2 – 179 m2 Total Finished Area = \$3,100.00 180 m2 – 199 m2 Total Finished Area = \$3,200.00 200 m2 – 219 m2 Total Finished Area = \$3,400.00 220 m2 – 239 m2 Total Finished Area = \$3,700.00 240 m2 – 259 m2 Total Finished Area = \$3,950.00 260 m2 – 279 m2 Total Finished Area = \$4,100.00 280 m2 – 299 m2 Total Finished Area = \$4,550.00 300 m2 – 319 m2 Total Finished Area = \$4,650.00 320 m2 – 339 m2 Total Finished Area = \$4,750.00 340 m2 – 359 m2 Total Finished Area = \$4,850.00 360m2 + = \$5,000.00  <i>All decimals rounded accordingly to fall into specific category.</i> <i>Units with only one Garage Bay (15m<sup>2</sup> or less) Deduct \$115.00 from fee above.</i>

Projects Covered <ul style="list-style-type: none"> <li>Townhouse Dwelling Unit</li> </ul> Prices indicated include the following: <ul style="list-style-type: none"> <li>Attached Garage (max 2 bays)</li> <li>Builder's rear deck/landing (at time of application)</li> <li>HVAC system</li> <li>Plumbing Fixtures</li> <li>Up to 3 Storeys Building Height</li> <li>All Finished Area.</li> </ul> <p>(Note: Any finished basement area added after the original permit issued is charged out at \$13.63/m2)</p>	< 100m2 Total Finished Area = \$2,100.00 100 m2 – 119 m2 Total Finished Area = \$2,200.00 120 m2 – 139 m2 Total Finished Area = \$2,500.00 140 m2 – 159 m2 Total Finished Area = \$2,700.00 160 m2 – 179 m2 Total Finished Area = \$2,800.00 180 m2 – 199 m2 Total Finished Area = \$2,900.00 200 m2 – 219 m2 Total Finished Area = \$3,200.00 220 m2 – 239 m2 Total Finished Area = \$3,650.00 240 m2 – 259 m2 Total Finished Area = \$3,800.00 260 m2 – 279 m2 Total Finished Area = \$4,000.00 280 m2 – 299 m2 Total Finished Area = \$4,200.00 300 m2 + = \$4,400.00  All decimals rounded accordingly to fall into specific category.
<b>Minor Residential Permit Fees</b>	
Landing Permit (max 2.32m <sup>2</sup> in floor area) <i>Serving a Dwelling</i> )	Minimum Permit Fee
Landing Permit w/ Roof (max 2.32m <sup>2</sup> in floor area) <i>Serving a Dwelling</i> )	\$125.00 Flat Fee
Deck Permit – Floating	\$150.00 Flat Fee
Deck Permit – With Foundations	\$175.00 Flat Fee
Deck Permit – With Roof or Second Level	\$200.00 Flat Fee
Accessory Shed (Wooden floor and/or no door over 6ft wide)	\$150.00 Flat Fee
Accessory Garage (With slab and unheated)	\$175.00 Flat Fee
Accessory Garage (With slab and heated)	\$200.00 Flat Fee
Foundation Repair (Membrane Application Only)	Minimum Permit Fee
Foundation Repair (Structural and Membrane)	\$150.00 Flat Fee
Solid Wood Burning Appliance Install/Replacement (wood stove, furnace etc.)	Minimum Permit Fee
Water Line or Sewer Line Replacement or Installation	Minimum Permit Fee
Installing new plumbing DWV piping or alteration plumbing only.	Minimum Permit Fee
Exterior Insulation and Cladding Installation (on existing building)	Minimum Permit Fee
Plumbing Fixture Cost (were applicable)	\$11.25 per Fixture
Sea Container (Storage Use Only)	Minimum Permit Fee / building or group up to four (4)
<b>Addition to a Dwelling Unit</b>	
Addition to Dwelling Unit	2.31% of the value of construction + \$11.25/Fixture
<b>Demolition Permits</b>	
Demolition Permit ( <i>shed, accessory building, porches etc.</i> )	Minimum Permit Fee
Demolition Permit ( <i>houses, commercial, industrial, institutional</i> )	2.31% of the value of demolition

<b>Pool &amp; Hot Tub Permits</b>	
Private Pool Installation	Minimum Permit Fee
Public Pool Installation ( <i>physical pool and all pool related code requirements</i> )	2.31% of the value of construction for the first \$500,000.00 and 1.15% for all valuation thereafter.
Private Hot Tub Installation	Minimum Permit Fee
<b>Administrative Permits</b>	
Conditional Permit ( <i>Housing</i> )	\$300.00 per building ( <i>house, townhouse block, semi block</i> ) + Development Charges for project are due at conditional permit issuance.
Conditional Permits ( <i>Commercial, Institutional Industrial and Large Residential</i> )	\$1,000.00 + all Development Charges of project are due at conditional permit issuance.
Partial Permit ( <i>Foundation only, etc.</i> )	Minimum Permit Fee ( <i>per each dwelling unit</i> )
Change of Use Permit ( <i>No construction proposed/required</i> )	Minimum Permit Fee
Revision to Permit	Minimum Permit Fee – Due prior to any review taking place
Building Without a Permit – New Construction of a Building ( <i>At discretion of the Chief Building Official</i> )	No Order required – Required Permit Fee x up to 50% After Order Posted – Required Permit Fee x up to 100%
Building Without a Permit – Renovation of Existing Building ( <i>At discretion of the Chief Building Official</i> )	No Order required – Required Permit Fee x up to 50% After Order Posted – Required Permit Fee x up to 100%
Additional Inspection Fee ( <i>For 3<sup>rd</sup> or more inspections of a prescribed inspection</i> )	Minimum Permit Fee – Payment is required prior to inspection taking place.
Alternative Solution Proposal Review	\$300.00 Flat Fee ( <i>per proposal</i> ) + any third party review costs that may be necessary. ( <i>Receipts to be provided to applicant to show breakdown of any third-party costs</i> )
Orders Registered on Title Orders Removed from Title	Owner responsible to pay all registration costs ( <i>receipts provided + 10% administrative fee</i> ) Owner responsible to pay all registration costs ( <i>receipts provided + 10% administrative fee</i> )
Agency Letter of Approval	Minimum Permit Fee
Building Compliance Report	Minimum Permit Fee
Transfer of Permit	Minimum Permit Fee
Limiting Distance Agreement	\$300.00 Flat Fee
Deposits ( <i>Residential Housing</i> )	\$1,000.00 Flat Fee ( <i>deducted from final permit fee</i> )

#### GENERAL NOTES:

1. Finished area is measured to the outside of the exterior wall or to the center line of a fire separation/firewall.
2. Finished area for mezzanines is measured to the outside edge of the mezzanine floor.
3. Openings to storeys below are not deducted from finished floor area.
4. Decks, Porches, Landings and Verandahs are all measured for floor area to the outside plane of walls of the platform.
5. No permit fee shall be less than the minimum fee of \$115.00 noted above.

6. All refund requests must be in writing to the Chief Building Official and will be evaluated and returned in compliance with the refund table below.
7. There are no refunds for amounts less than \$115.00.
8. All fees contained herein shall be increased by CPI index yearly where required.

Refund Amount	Work Completed on Application
80% Refund of Permit Fees	Permit is filed, and no processing or review functions have been performed
70% Refund of Permit Fees	Permit is filed, and administrative and zoning/engineering functions have been performed
45% Refund of Permit Fees	Permit is filed, and zoning, engineering and administrative functions have been performed and plans examination completed
35% Refund of Permit Fees	Permit has been issued and no field inspections have been performed
5% Reduction of Permit Fees	To be taken for each inspection completed prior to refund of permit fees being requested.