

Re: ADMINISTRATIVE FEE STRUCTURE
UPLAND CONSENTS FOR LEASES OF WATERLOTS IN THE NORTH ARM
OF THE FRASER RIVER OPPOSITE MUNICIPALLY-OWNED PROPERTIES

Following is a report from the Municipal Solicitor on a fee structure involving the leasing of water lots.

By way of background information, a formula for the establishment of fees was initially adopted by Council in 1972 October. An adjustment was made on 1975 April 28 to reflect the need for an increase in administrative costs. Council on this occasion also adopted the following two recommendations:

- "1. THAT Administrative Fees for consent be increased by 50% if a renewal application is not made within 15 days of its due date; and
2. THAT Council authorize the Municipal Manager to grant municipal consent for the least of water lots (it being understood that such authorization would be subject to the application of a new rate structure)."

Experience has shown that there is considerable merit in assessing an additional sum for renewal applications that are submitted late, and in permitting consents to be given by the Municipal Manager (with regard to the latter, such delegation of authority has a contributing affect on the overall reduction of administrative costs, and also precludes Council from having to consider individual transactions that involve only nominal sums of money). Unless directed to the contrary, these practices will be continued.

As noted in the last paragraph of the report, an attempt was made to simplify the formula. However, it is felt that the one being recommended should continue to be used because it promotes fairness by taking into consideration the various sizes of water lots that come up for renewal. Moreover, in practice it is easy to apply and in fact is only applied infrequently (to 5 water lots that come up for renewal each year and 1 every two years).

RECOMMENDATION:

1. THAT the recommendation of the Municipal Solicitor be adopted.

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TO: MUNICIPAL MANAGER

FROM: MUNICIPAL SOLICITOR

RE: ADMINISTRATIVE FEE STRUCTURE FOR UPLAND CONSENTS FOR LEASES OF WATERLOTS
IN THE NORTH ARM OF THE FRASER RIVER OPPOSITE MUNICIPALLY OWNED PROPERTIES

RECOMMENDATION:

1. THAT the administrative fee structure for Municipal consent to lease waterlots be increased by 15% of the product of 20% of the first \$500.00 as outlined in the report AND 15% of the product of 10% of the balance as outlined in the report.

REPORT

At its meeting of April 28th, 1975, (Manager's Report No. 31, Item 13), Council approved the following formula for the calculation of administrative fees to be charged for Municipal consent to leases of waterlots by the North Fraser Harbour Commission:

- (a) 20% for a lease costing up to \$500.00, plus 35% of the product;
- (b) 10% on the amount over \$500.00, plus 35% of the product. By way of example - the rent on a leased value of \$1,000.00 would be as follows:

(a) \$500.00x20% = \$100.00...\$100.00x35%= \$35.00...\$100.00 + \$35.00 =	\$135.00
(b) \$500.00x10% = \$ 50.00...\$ 50.00x35%= \$17.50...\$ 50.00 + \$17.50 =	<u>\$ 67.50</u>

Total administrative fee = \$202.50

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TO: MANAGER
(re: Water Lots - Uplands Consents)

June 27, 1980

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Using the same basis and applying a 15% increase on the product of 20% of the first \$500.00 would require payment of \$150.00 for consent, and on the amount over \$500.00 applying a 15% increase on the product of 10% the lease on the balance would require payment of \$75.00. By way of example, the rent on a leased value of \$1,000.00 on the new formula would be as follows:

(a) \$500.00x20% = \$100.00...\$100.00x50%= \$50.00...\$100.00 + \$50.00 =	\$150.00
(b) \$500.00x10% = \$ 50.00...\$ 50.00x50%= \$25.00...\$ 50.00 + \$25.00 =	<u>\$ 75.00</u>
Total administrative fee..	<u>\$225.00</u>

In the interval since 1975, it is estimated that administrative costs have increased by at least 30%. However, even though the increase requested is only 15%, the North Fraser Harbour Commission has increased to \$460.00 from \$400.00 (15%) their per acre per annum rate for 1980 over 1979 rates which will also increase the revenue we receive to an acceptable amount and we, therefore, recommend Council's approval.

At the present time, MacMillan Bloedel obtains upland consents for the five (5) water lots namely Wheaton Street end, Holland & Emily Street end, water lots #5770, #5772 and #6317, and Weldwood of Canada Ltd. obtains upland consent on one (1) water lot namely #6317.

We have tried to ascertain a less complicated formula for these consents but due to the difficulties in size of these water lots, it is not feasible to charge an across the board figure, i.e. \$100.00 etc. for each consent. For example, water lot consent on the Wheaton Street end and the Holland & Emily Street ends is valued at \$46.20 per annum and \$52.88 per annum respectively, whereas water lot consent on #6317 is valued at \$422.06 per annum. We feel that the formula we now have is the fairest way for all concerned.


W.L. Stirling
MUNICIPAL SOLICITOR

RPA/mh

cc: Director of Planning
Municipal Engineer
Municipal Clerk
Administrator, Parks & Recreation