Item Manager's Report No.								09
Manager's Report No.								33
Council Meeting		•		9	9	/1	2	/20

TO: CITY MANAGER 1999 DECEMBER 10

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: FEES FOR BUILDING PERMITS AND OTHER PLANNING

APPLICATIONS AND SERVICES

PURPOSE: To provide Council with recommendations to update the City's fee schedule

for various applications for the purpose of cost recovery.

RECOMMENDATIONS:

- 1. **THAT** Council authorize staff to implement the fee adjustments outlined in this report to be effective 2000 January 24.
- 2. **THAT** Council authorize the preparation of the necessary bylaw amendments to effect the fee adjustments outlined in this report.

REPORT

The Municipal Act provides for the imposition of fees and charges for applications for various types of permits and services under Part 26 (Management of Development) Division 9 (Permits and Fees) for the purpose of recovering the costs of administration, inspection, advertising, and processing. Over the years, fees and charges have been established for a number of processes, works, and services from which an individual or a business may expect to benefit, and Council has sought to ensure that the fees charged reflect the costs of providing the services.

The services under consideration include permits for construction of buildings, electrical, plumbing and gas inspections, fees for rezoning, strata titling, subdivision of land, and a wide array of other services contemplated under the Act. In some instances, the requirement for permits and approvals is driven primarily by considerations of safety and adherence to public codes, and the City has in the past sought to recover a percentage of the costs of providing the service through the fee structure.

In other instances, such as applications for subdivision, rezoning, strata titling, or other types of planning services, the applicant obtains a potential direct financial benefit, and in many instances this financial benefit is considerable, often in the range of many thousands of dollars. It is, therefore, appropriate that, in such instances, the applicant, as opposed to the City should more fully bear the estimated cost of such services.

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In 1997 May, Council approved a revised schedule of fees and charges for permits and applications, and at that time it was indicated that staff would review the fee schedule on an annual basis, beginning in late summer 1998, and provide a further report. Staff completed their 1998 review late that year and a report was submitted to Council which recommended a number of minor fee increases, with the net effect of a 1% to 1.5% overall increase in fees. Council adopted the recommendations at that time and the fee adjustments were implemented accordingly.

Staff have completed their 1999 review and the <u>attached</u> Appendix outlines the adjustments being recommended at this time. The increase proposed in most cases is once again, minor, reflecting primarily the increased cost of doing business. In some instances, no change is proposed and the net effect is expected to be around a 1% overall increase, in line with the projection used in preparing the 2000 Provisional Operating Budget.

It is recommended that the fee adjustments be implemented 2000 January 24 in order to provide sufficient time to adjust the necessary documents and computer related implementation. Upon approval, staff will take the necessary steps to implement the proposed adjustments.

D. G. Stenson

Director Planning and Building

BW:gk Attach

cc: Director Finance

Director Engineering

City Clerk
City Solicitor

Information Services Director

APPENDIX

To report on FEES FOR BUILDING PERMITS AND OTHER PLANNING APPLICATIONS AND SERVICES

GENERAL

In pursuing its review of the structure and schedules for planning and building-related fees, staff have sought to consider the full range of costs (administrative, processing, record keeping, responding to enquiries, inspections, etc.) that are entailed in each case, recognizing that these costs are commonly incurred, to varying degrees, by a variety of different departments. For example, while the bulk of the administrative costs for processing a rezoning application may be incurred in the Planning Division, considerable staff effort is commonly also entailed in the Clerk's office, Legal Department, Engineering Department, Fire Prevention Office, Environmental Health Division, Building Division, and, occasionally or to some extent, also in the RCMP, Parks, Recreation and Cultural Services Department, Business Licence and Taxation offices, etc. The degree to which other departments may be involved varies considerably with type of application and from case to case, and it is important in estimating the costs of providing these services, to recognize the contribution to the process from these other departments. The overriding consideration in the Municipal Act, which governs fees imposed for planning-type services, is that the fee must not exceed the estimated average costs of processing, inspection, advertising and administration that are usually related to the type of application or other matter to which the fee relates.

BUILDING DIVISION

The Chief Building Inspector has reviewed the existing cost recovery structure related to the services provide by the Building, Electrical, Gas, Plumbing and Fire Protection, and Administration and Tree Bylaw sections of the department. The following is a summary of his recommendations.

COST OF LIVING ADJUSTMENT

It should be pointed out that the major fee review undertaken in the spring of 1997 included an extensive comparison of fees charged by all cities and municipalities throughout the Lower Mainland. The adjustments made in 1997 as a result of that review were designed to recover the basic costs of operating the building inspection program maintained by the City while at the same time keeping those fees comparable to other neighboring jurisdictions. Using the established current fees as a general benchmark, we propose to adjust fees at this time to recover inflationary cost increases to ensure that real revenues are similar to those generated in previous years. This is achieved through analysis of the Vancouver Cost of Living Index. Based on current indicators it appears that the Vancouver Cost of Living Index will increase about 1% for 1999. In order to keep pace with inflation, a 1% increase to our permit fees and charges would be appropriate for the year 2000. While a 1% increase may be appropriate for a majority of our fees, a certain amount of fine tuning is necessary. Some fees will increase slightly more than 1% and others will see no increase at all. The net general effect will be an overall increase of around 1%.

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In line with the commitment in the 1997 May 05 report from the Director Planning & Building we are proposing that the following changes to the Building Department's fee structure for the year 2000.

Building Permit Fees

In keeping with the proposed 1% increase, the building permit fees should be adjusted as follows:

- The fee for application for a building permit for a single or two family dwelling where the construction value exceeds \$89,000, including renovations, additions and accessory buildings, should be increased from \$155.00 to \$156.55. For all other application fees, the fee should remain at 20% of the estimated building permit fee subject to a minimum of \$50 and a maximum of \$5,100. This represents an increase from the existing minimum of \$45 and maximum of \$5,050.
- The fee for a building permit value of construction from \$0 to \$1,000 should remain at \$50; value of construction from \$1,001 to \$20,000 should increase from \$50 plus \$12 per \$1000 or part thereof to \$50 plus \$12.15 per \$1,000 or part thereof over \$1,000; \$20,001 to \$200,000 should be increased from \$278 plus \$8.15 per \$1,000 or part thereof over \$20,000 to \$280.85 plus \$8.25 per \$1,000 or part thereof over \$20,000; and the fee for a building permit value of construction over \$200,001 should increase from \$1,745 plus \$7.10 per \$1,000 or part thereof over \$200,000 to \$1,765.85 plus \$7.20 per \$1,000 or part thereof over \$200,000.
- The fees for a permit for chimney construction for masonry chimney single flue should increase from \$15 to \$15.15; the fee for a double flue chimney should increase from \$21 to \$21.25; the fee for a multiple flue should increase from \$28 to \$28.30 and the fee for a prefab metal chimney should increase from \$15 per flue to \$15.15 per flue.
- 4) The fee for permit extension will increase from \$40 to \$40.40.
- 5) The fee for modification of drawings and specifications which is currently \$60 per hour with a minimum of \$30, will remain the same.
- The building permit fees for demolition of an accessory building which is currently \$40 will increase to \$40.40. A demolition permit for single and two-family dwellings which is currently \$200 will increase to \$202. The building permit fee for demolition of all other buildings and structures which is currently \$500 will increase to \$505.

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- 7) The building permit fee for temporary building or structure which is currently \$350 per year will increase to \$353.50 per year.
- 8) Permit transfer or assignment fees will increase from \$40 to \$40.40.
- 9) Heating system permit fees will increase from \$2 per 1,000 BTU's heating appliance input to \$2.02 per 1,000 BTU's heating appliance input with a minimum fee of \$100 per appliance.
- Equivalents fees, reinspection fees, fee for an inspection for provisional occupancy, file research and letter fees and the special inspection will not be increased.

Plumbing

- 1) The permit fees for plumbing fixtures are recommended to increase from \$20.00 per fixture to be installed under the permit to \$20.20 per fixture to be installed under the permit.
- 2) For each backflow protection device 4 inches or greater in size we are proposing to increase the fee from \$100 to \$101.
- We are proposing that the permit fee for interceptors would increase \$25.00 per unit to \$25.25 per unit.
- We are proposing to increase the fees for alteration work, site piping and site fire protection piping from \$25 to \$25.25 for each 30 m or portion thereof.
- The fees for the permits for the installation of fire hydrants is currently \$20.00 per hydrant. We are proposing to increase this to \$20.20 for each hydrant on the site.
- Building fire protection is currently \$35 for the first sprinkler head and \$1.75 for each additional sprinkler head. We are proposing to increase this to \$35.35 for the first sprinkler head and \$1.80 for each additional sprinkler head.
- 7) The fee for the first siamese connection, hose cabinet, hose outlet, wet/dry outlet or standpipe is currently \$25 and the fee for each additional siamese connection, hose cabinet, hose outlet, wet/dry outlet or standpipe is \$17. We are proposing to increase this to \$25.25 for the first siamese connection, hose cabinet, hose outlet, wet/dry outlet or standpipe and \$17.15 for each additional siamese connection, hose cabinet, hose outlet, wet/dry outlet or standpipe.

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- We are recommending that the fee for replacement of building water pipe, for the removal and replacement of existing pipe be increased from \$20 to \$20.20 in multi-family residential buildings, hotels and motels (each unit) and from \$60 to \$60.60 for all other buildings.
- 9) The fee for partial permits is currently \$35 for the first 30 m of piping or portion thereof and \$20 for each additional 30 m of piping or portion thereof. We are proposing to increase this to \$35.35 for the first 30 m of piping or portion thereof and \$20.20 for each additional 30 m of piping or portion thereof.
- We are recommending that the fee for the transfer or assignment of a plumbing permit and to record a change of contractor for a project be increased from \$40 to \$40.40.
- 11) The fee for a permit extension is currently \$40. We propose to increase this fee to \$40.40.
- 12) Fees for reinspection or for special inspections will remain unchanged. The permit fee refunds will also remain the same.
- In order to make our Plumbing bylaw consistent with the City's Building Bylaw we are proposing to introduce a new fee for the modification of drawings and specifications. The fee currently set out in the Building Bylaw for this service is \$60 per hour with a minimum of \$30. We propose to establish this same fee and rate in the Plumbing Bylaw.

Gas Permit Fees

In keeping with our general increase of 1% we would propose the following increases for gas permit fees.

The increases for residential installations would be as follows:

- for each appliance the fee would be increased from \$25.25 to \$25.50;
- for each vent installation the fee would be increase from \$25.25 to \$25.50;
- for hot water tank replacements the fee would increased from \$18.25 to \$18.45;
- for house piping the fee would increased from \$25.25 to \$25.50.

The fees for commercial, industrial or institutional installations would be as follows:

- for each appliance with an input of 30 kW or less the fee would be increased from \$30.25 to \$30.55;
- for appliances with an input of 31 to 120 kW the fee would increased from \$60.75 to \$61.35;

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- for piping only, the fee for the first 30 meters or less would be increased from \$35.50 to \$35.85 and each additional 30 meters or part thereof the fee would be increased from \$25.25 to \$25.50;
- for each vent installation, the fee would be increased from \$35.50 to \$35.85;
- for laboratory equipment for each 200,000 BTU's or part thereof in a room, the fee would be increased from \$50.50 to \$51.00.

Permit transfer or assignment fees would increase from \$40 to \$40.40.

The reinspection fees, special inspection fees and permit refunds as set out in the Schedule of Fees would remain the same.

In order to make our Gas Bylaw consistent with the City's Building Bylaw we are proposing to introduce a new fee for the modification of drawings and specifications. The fee currently set out in the Building Bylaw for this service is \$60 per hour with a minimum of \$30. We propose to establish this same fee and rate in the Gas Bylaw.

Electrical Permit Fees

Residential electrical permit fees are based on 20% of the building permit fee. As a result, the proposed increases to the building permit fees will automatically cause the electrical permit fees to rise correspondingly. As a result we are proposing no increase to the permit fees for an electrical system for a new one or two-family dwelling.

After reviewing the other single and two-family fees charged by our Electrical Bylaw for residential electrical components we are proposing the following changes: fees for permits for hot tubs or spas should increase from \$25 each to \$25.20 each and the wording should be changed to hot tub, sauna or steam shower; permit fees for hydro-massage tub bath and air conditioning units should increase from \$15 per unit to \$15.15 per unit and sub panels should increase from \$20 to \$20.20.

There will be no change to the fee formula for security systems and electric heating.

We are proposing the following changes to fees for Electrical Installations other than New One and Two-Family Dwellings:

- the fees for electrical installations valued at \$100 or less should increase from \$30 to \$30.30;
- the fees for electrical installations valued \$101 to \$250 should increase from \$40 to \$40.40;

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- the fees for electrical installations valued \$251 to \$350 should increase from \$50 to \$50.50;
- the fees for electrical installations valued \$351 to \$500 should increase from \$60 to \$60.60;
- the fees for electrical installations valued \$501 to \$700 should increase from \$75 to \$75.75;
- the fees for electrical installations valued \$701 to \$1,000 should increase from \$90 to \$91.00;
- the fees for electrical installations valued \$1,001 to \$10,000 should increase from \$90 plus \$37 per \$1,000 or part thereof over \$1,000 to \$91.00 plus \$37.40 per \$1,000 or part thereof over \$1,000:
- the fees for electrical installations valued \$10,001 to \$50,000 should increase from \$423 plus \$20 per \$1,000 or part thereof over \$10,000 to \$427.60 plus \$20.20 per \$1,000 or part thereof over \$10,000;
- the fees for electrical installations valued \$50,001 to \$100,000 should increase from \$1,223 plus \$12 per \$1,000 or part thereof over \$50,00 to \$1,235.60 plus \$12.15 per \$1,000 or part thereof over \$50,00;
- the fees for electrical installations valued \$100,001 to \$500,000 should increase from \$1,823 plus \$8 per \$1,000 or part thereof over \$100,00 to \$1,843.10 plus \$8.15 per \$1,000 or part thereof over \$100,000;
- the fees for electrical installations valued \$500,001 to \$1,500,000 should increase from \$5,023 plus \$7 per \$1,000 or part thereof over \$500,00 to \$5,103.10 plus \$7 per \$1,000 or part thereof over \$500,00 and;
- the fees for electrical installations valued \$1,500,001 and over should increase from \$12,023 plus \$2.25 per \$1,000 or part thereof over \$1,500,00 to \$12,103.10 plus \$2.25 per \$1,000 or part thereof over \$1,500,00.

The fees charged for a temporary current permit should be increased from \$120 to \$121.20.

The fees for an annual permit should be increased from \$0.20 per KVA (minimum \$120 - maximum \$2,200) to \$0.22 per KVA (minimum \$120 - maximum \$2,222). The fee for each additional annual permit should be increased from \$75 to \$75.75.

The minimum fee for a temporary saw service should be increased from \$75 to \$75.75.

In order to make our Electrical bylaw consistent with the City's Building Bylaw we are proposing to introduce a new fee for the modification of drawings and specifications. The fee currently set out in the Building Bylaw for this service is \$60 per hour with a minimum of \$30. We propose to establish this same fee and rate in the Electrical Bylaw.

The minimum permit fee to record work done without a permit and inspection should be increased from \$75 to \$75.75.

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We are recommending that the permit extension fees and the permit transfer or assignment fee be decreased from \$50 to \$40.75. This will bring these fees in line with other transfer and extension fees charged for the other types of permits issued by the Building Department.

We are recommending no change to the formula used for determining permit fee refunds or the formula used for determining electrical permit fees for energized signs.

For special event or film projects we are proposing the following wording changes to the fee schedule; item (a) "One location" should be changed to read "One location, one project (includes filming in studio" and item (d) "Annual permit fee for film studio" should be changed to read Annual permit fee for film studio for repair and maintenance only". We are also proposing the following changes to fees for special event or film projects:

- one location, one project (includes filming in studio) permit valid for a maximum of 90 days, 1 to 30 days, the fee should increase from \$100 to \$101;
- one location, one project (includes filming in studio), permit valid for a maximum of 90 days, 1 to 60 days, the fee should increase from \$175 to \$176.75;
- one location, one project (includes filming in studio), permit valid for a maximum of 90 days, 1 to 90 days, the fee should increase from \$200 to \$202;
- multiple locations, one project, permit valid for a maximum of 90 days, 1 to 30 days, the fee should increase from \$75 per location (maximum \$300) to \$75.75 per location (maximum \$303);
- multiple locations, one project, permit valid for a maximum of 90 days, 1 to 60 days, the fee should increase from \$100 per location (maximum \$400) to \$101 per location (maximum \$404);
- multiple locations, one project, permit valid for a maximum of 90 days, 1 to 90 days, the fee should increase from \$125 per location (maximum \$500) to \$126.25 per location (maximum \$505);
- filming in a studio, permit valid for a maximum of 90 days, 1 to 30 days, the fee should increase from \$100 to \$101;
- filming in a studio, permit valid for a maximum of 90 days, 1 to 60 days, the fee should increase from \$175 to \$176.75;
- filming in a studio, permit valid for a maximum of 90 days, 1 to 90 days, the fee should increase from \$200 to \$202 and;
- the annual permit fee for a film studio should increase from \$0.30 per KVA (minimum \$200) to \$0.31 per KVA (minimum \$202).

We are recommending a wording change to the fee schedule. Item (a) under "Special Inspections" should be changed from "For an inspection requested by the owner but not required by the Bylaw" to "For an inspection requested by the owner or occupant but not required by the Bylaw".

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We are recommending no change to the formula used for determining reinspection fees or the fees for special inspections.

Tree Bylaw

The fee schedule for the Burnaby Tree Bylaw was revised by bylaw amendment in 1999 June and no further revisions are recommended at this time.

Cross Connection Control

The fees currently charged for the processing of reports pertaining to cross connection control devices are set out in Burnaby's Water Works Regulation Bylaw. This Bylaw will be reviewed later on in the year by our Finance Department and any proposed changes will be recommended as part of that review. Therefore, we are proposing no changes to those fees at this time.

PLANNING DIVISION

Staff have reviewed the existing cost recovery structure of the present fee schedule for rezoning, subdivision, development approvals (PPA), strata titling and sundry other planning approval services provided by the Department. In line with the requirement of the Municipal Act, care has been taken to ensure that the proposed fees do not exceed the estimated average cost of processing, inspection, advertising and administration as noted above, and that the fees are not out of line with similar charges in other municipalities in the region. Based on this review, the following adjustments are proposed at this time.

Rezoning Applications

In light of the administrative steps necessary to implement an increase in the fee schedule for rezoning applications, it is recommended that there be no increase in the rezoning application fee for 2000, but that the fee be reviewed again in late 2000.

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Subdivision

The fees for processing applications and extending Tentative Approval for subdivision of land and for Personal Preference Address Changes, Servicing Agreements and legal documentation related to rezoning applications were increased substantially in 1997, commensurate with the cost of the services provided by the various City departments involved. Additionally, fees for Road Closure and Highway Exchange processing and Airspace Parcel subdivisions were instituted at that time. Our current review indicates that most of those fees continue to be appropriate, with no increase being recommended. The one exception is the fee for Airspace Parcel Subdivisions, which is recommended to increase from \$5,000 to \$5,050, providing a minor cost of living increase. The charge for plan examination is set by provincial regulation and remains unchanged.

Strata Titling

It is recommended that a minor cost-of-living increase of around 1% be adopted for both strata title conversions and phased strata title applications. A larger fee increase was adopted for the processing of strata title conversions in relation to the 1999 fee increases due to the additional work associated with strata title conversions of existing and occupied buildings. For 2000, it is recommended that the application fee for the strata titling of existing and occupied buildings be increased from \$350 plus \$25 per unit to \$353 plus \$25 per unit and that the fee for phased strata title applications be increased from \$760 to \$768 for the first phase, \$300 to \$303 for the last phase and remain at \$100 for other phases. With these fee increases, Burnaby will remain in the middle when compared with the fees of other municipalities which have been recently surveyed.

Liquor Licences

It is recommended that there be a 1% increase in liquor licence related processing fees, from \$510 to \$515 for applications for new facilities, and from \$250 to \$252 for amendments to liquor licences. Liquor licence fees will need to be reassessed once the changes to the Provincial liquor licensing system have been implemented which were announced earlier this year.

Preliminary Plan Approval

The fee for this service, which is preliminary to the issuance of a building permit, is tied to the estimated construction value of a development and it is levied pursuant to the Building Bylaw. This fee was introduced in 1991, with adjustments approved through the last two Council reports on the fee schedule. Following our review, it is recommended that:

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- Incremental fee to increase from \$1.55 per \$1,000 of estimated construction value to \$1.60 per \$1,000, with a minimum fee of \$100 to remain the same.
- For signs, an increase in the application fee is not proposed at this time, as the flat rate fee for both Comprehensive Sign Plans and P.P.A. was increased from \$50 to \$55 earlier in 1999.
- Re-approval fee to remain unchanged.

The foregoing fee adjustments are required to maintain the objective of reasonable cost recovery for the processing and approval services provided and are in line with the range of charges for similar applications in other local governments in Greater Vancouver. It is intended that the fees be reviewed regularly so as to provide recommendations for any needed changes annually, with implementation at the beginning of each calendar year. This should maintain a suitable cost recovery for processing applications, while hopefully avoiding the necessity for major adjustments in the future.

BW:gk c:\Planners\Barry Waitt\fees bldg planning 2