Haldimand County Building Permit Fees Review Study

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Contents

1.	Introdu 1.1 1.2 1.3	uction Background Study Process Legislative Context for Fees Review	1-1 1-1
2.	Activit 2.1 2.2 2.3 2.4 2.5	y Based Costing Building Permit Fees Methodology Application Category Definition Processing Effort Cost Allocation Direct Costs Indirect Costs	2-1 2-2 2-4 2-4
3.	Buildir 3.1 3.2 3.3	ng Permits Fees Review Staff Capacity Utilization Results Full Cost Building Permit Fees Fee Structure Recommendations and Building Code Act Reserve Fund Design	3-1 3-2
4.	Impac 4.1 4.2	t Analysis of Recommended Fee Structure Impact Analysis Impact Analysis Summary	4-1
5.	Buildir 5.1	ng Permit Fees Review Study Conclusions Conclusions	
Appen	idix A -	- Building Permit Fee Municipal Survey	A-1

1. Introduction

1.1 Background

Municipalities have periodically undertaken to update their building permit fees in order to address changes in development cycles, application characteristics and cost recovery levels with the intent of continuing to improve fee structures so that they more accurately reflect processing efforts. Haldimand County (County) retained Watson and Associates Economists Ltd. (Watson) to undertake a review of the full costs of processing building permit applications and to make permit fee recommendation to provide for reasonable full cost recovery. In addition to providing recommendations on full cost recovery building permit fees, the County is also modernizing it's building bylaw and as such our recommendations include updates to the County's fee structure to reflect current industry practice.

Our proposed methodology for this assignment is to develop an activity-based costing (ABC) model to quantify the full costs of services under the authority of the Building Code Act. An ABC methodology, as it pertains to municipal governments, assigns an organization's resource costs through activities to the services provided to the public. An ABC approach better identifies the costs associated with the processing activities for specific application types and is an ideal method for assessing the full cost of a development application process to determine user fees. As such, the fee structure recommendations are based on a full cost recovery assessment.

1.2 Study Process

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

Work Plan Component	Description of Critical Path Component
1. Project Initiation and Orientation	Review project scope, methodology, work plan, legislation and development fee trends
2. Review Background Information	 Review cost recovery policies, reserve fund policies and by-laws Establish municipal comparators Review 2013-2017 cost recovery performance and application patterns

Table 1-1Building Permit Fees Review Study Work Plan

H:\Haldimand County\2017 Building Bylaw Moderization\Report\Haldimand

Work Plan Component	Description of Critical Path Component
3. Municipal Policy Research and Municipal User Fee Comparison	 Assist County staff with municipal building permit fee policy research regarding building permit fee structures and implementation policies Prepare municipal comparison survey for municipalities and fees identified in Task #2
4. Building Permit Fee Application Processing Effort Review	 Review of existing permit categories and identification of categories to be assessed Initiate development of ABC model
5. Design and Execution of Direct Staff Processing Effort Estimation	 One-time processing activity maps were developed with County staff within each of the business units to establish effort estimation data County 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. Develop ABC Model to Determine the Full Costs of the Building Permit Fee Processes	The County's ABC model was developed to reflect the current cost base (i.e. 2018\$) fee costing categories, direct and indirect cost drivers, data flows and full cost fee schedule generation
 7. Calculation of Full Cost Recovery Fees and Financial Impact Analysis 8. Draft and Final Report 	 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 County staff A reserve fund continuity forecast was prepared, in the context of the legislative authority for the maintaining of building operations and sustainability targets Overall financial impact and building permit fee structure impact analysis was undertaken Provided impact analysis for sample development types and for municipal comparators Draft Report findings prepared and presented to County staff
	 Final Report prepared and presented to development industry stakeholders and Council

1.3 Legislative Context for Fees Review

The context for the building permit fees review is framed by the statutory authority available to the County to recover the costs of service. The statutory authorities that must be considered is Section 7 of the *Ontario Building Code Act*, governing building permit fees. The following summarizes the provisions of this statute as it pertains to fees.

1.3.1 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.

2. Activity Based Costing Building Permit Fees

2.1 Methodology

An 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 County 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 building permit 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 building permit 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 building permit 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 building permit review process is accomplished by tracking the relative shares of staff processing effort across each building permit 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 building permit 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 County's building permit fees review.



Figure 2-1

Application Category Definition 2.2

Departmental business units deliver a variety of building permit fee related services, including those administered under the Building Code Act. These services are captured in various cost objects or building permit fee categories. A critical component of the full cost building permit 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. Although cost justification is not required by permit type, calculating this information by permit type allows for a better understanding of how processing effort and costs will change with development activity.

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

Summarized in Table 2-1 are the building permit fee costing categories that are included in the County's model and used to calculated the full cost recovery building permit fees.

Table 2-1						
Building Permit Costing Categories						

Costing Categories
Assembly – New
Assembly – Alterations/Repairs/Additions
Residential SFD – New
Residential SFD – Alterations/Repairs/Additions
Residential Multi-Unit (Part 3) – New
Residential Multi-Unit (Part 9) – New
Residential Multi-Unit (Part 3 & 9) – Alterations/Repairs/Additions
Groups D & E (Part 3) – New
Groups D & E (Part 3) – Alterations/Repairs/Additions
Groups D & E (Part 9) – New
Groups D & E (Part 9) – Alterations/Repairs/Additions
Industrial (Part 3) – New
Industrial (Part 3) – Alterations/Repairs/Addition
Industrial (Part 9) – New
Industrial (Part 9) – Alterations/Repairs/Addition
Agricultural – New
Agricultural – Alterations/Repairs/Addition
Demolitions – Non-Residential
Demolitions – Residential
Plumbing
Sewer Laterals
Public Pools
Residential Pools
Accessory Structures
Septic System – New
Septic System – Alterations/Repairs
Signs
Decks
Solar & Wind Turbines
Tent & Temporary Structures
Wood & Stove Fireplaces
Designated Structures

2.3 Processing Effort Cost Allocation

To capture each participating County staff member's relative level of effort in processing building permits, process templates were prepared for each of the above referenced application costing categories. As part of this review study, these process templates were refined with department-specific County staff to ensure the process maps reflect up-to-date processes and current application characteristics. Annual processing effort per staff position was compared with available processing capacity to determine overall service levels.

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

The only County department determined to have direct involvement in building permit review is the Building Controls & By-law department. Based on the results of the resource capacity analysis summarized above, the proportionate share of each position's direct costs were allocated to the respective building permit fee categories. The direct costs of service included in the County's costing model are taken from the County's 2018 budget and included direct costs such as salaries, wage and benefits, materials and supplies, etc.

2.5 Indirect Costs

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 building permit 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 County's direct business units.

The County currently employs its own internal indirect cost recovery model that the Building Control & By-law department utilizes to realize the costs it imparts on support and corporate overhead functions, as well as the departments share of capital costs. Table 2-2 summarizes these support and corporate overhead functions and the capital cost centres. These indirect costs were distributed among the building permit fee categories according to the staff utilization estimates detailed above. The results of the County's indirect cost recovery model were validated through comparisons with similar municipal ABC models.

Indirect Cost Functions				
CAO's Office				
Clerk's Office				
Council & Mayor				
Finance				
Human Resources				
Information Systems				
Planning & Economic Development				
Support Services				
Capital Cost Centre				
Facilities				
Fleet				

Table 2-2Indirect Support and Corporate Overhead Functions

3. Building Permits Fees Review

3.1 Staff Capacity Utilization Results

As noted in section 2.3, annual processing effort per staff position was compared with available processing capacity to determine overall service levels. This analysis considered application activity volumes and characteristics witnessed over the 2013-2017 period to determine the baseline level of staff capacity utilization. Subsequently, a permit volume forecast was developed and applied to the one-time processing effort estimates in order to establish expected levels of staff utilization over the five-year forecast period. The permit volume forecast for the next five years is mostly consistent with historical activity volumes. However, a notable exception to this general trend is expected for single family detached dwellings, where the volume of building permits is expected to increase from a historical average of approximately 86 permits annually to approximately 300 building permits annually over the 2018-2022 period. Additionally, the County is expecting to start processing building permits for sewer laterals (approximately 300 annually), which will require additional staff capacity over the forecast period.

Table 3-1 summarizes the number of full time equivalent (FTE) positions attributable to building permit processing activities based on the underlying processing effort estimates and average annual building permit volumes, both for the 2013-2017 historical period as well as for the 2018-2022 forecast period.

Department	Total FTEs	FTEs Consum Permit A	
		2013-2017	2018-2022
Building Controls & By-Law	17.00	10.69	15.21

Table 3-1Comparison of Building Permit Resource Utilization

Out of the 17 FTEs in the Building Controls & By-Law department, approximately 10.69 FTEs (63%) are consumed by building permit activities, with the remaining 6.31 FTEs (37%) consumed by by-law enforcement activities.

Based on the results of the capacity analysis presented in Table 3-1, the County would require approximately five additional FTEs relative to 2017 staffing in order to accommodate the anticipated increase in residential building permits and sewer lateral

permits. It should be noted that the County is expecting to fill three new positions in 2018, including a plumber, a plumber/building inspector, and an additional building inspector. These additional positions will help the County to manage some of the additional workload expected as a result of increased permit activity over the forecast period.

3.2 Full Cost Building Permit Fees

Table 3-2 summarizes the County's costs of providing building permit processing services on a per permit basis. The per permit costs reflect the organizational direct and indirect costs based on 2018 budget estimates. Costs are compared with revenues derived from current permit fees and average charging parameters (e.g. average permit size and construction value). Historical applications were reviewed from the County's data to determine average permit size estimates for fee calculation purposes. In some cases, particularly for minor permit types, insufficient data was available to calculate average construction value per permit. As such, where this occurred average revenue per permit information could not be computed for these permit types.

The findings in Table 3-2 indicate that new construction building permits for assembly, residential single-family dwelling, residential multi-unit (Part 9), septic systems, and agricultural building permits, are generally recovering costs of processing and providing sustainability for building code services. Conversely, new construction building permits for new residential multi-unit (Part 3), Groups D & E, and Group F, as well as alteration/repair/addition and other miscellaneous permits typically under recover the costs of service.

Table 3-2
Building Permit
Modeling Impact by Application Type (2018\$)

	Per Application Impact				
	Total Costs Average				
	per	Revenue per	Net	%	
Permit Type	Application	Application	Position	Recovery	
Assembly - New	13,985	38,250	24,266	274%	
Assembly - Alterations/ Repairs/ Additions	7,622	2,900	(4,721)	38%	
Residential SFD - New	1,927	2,829	903	147%	
Residential SFD - Alterations/ Repairs / Additions	1,563	373	(1,191)	24%	
Residential Multi Unit (Part 9) - New	4,383	5,539	1,156	126%	
Residential Multi Unit (Part 3) - New	17,908	7,564	(10,344)	42%	
Residential Multi Unit (Part 3 & 9) - Alterations/ Repairs/ Additions	8,252	1,712	(6,540)	21%	
Groups D & E (Part 9) - New	4,983	3,432	(1,551)	69%	
Groups D & E (Part 9) - Alterations/ Repairs/ Additions	5,532	894	(4,638)	16%	
Groups D & E (Part 3) - New	12,265	10,847	(1,418)	88%	
Groups D & E (Part 3) - Alterations/ Repairs/ Additions	8,233	1,596	(6,637)	19%	
Industrial (Part 3) - New	10,623	3,727	(6,896)	35%	
Industrial (Part 3) - Alterations/ Repairs/ Additions	9,239	7,210	(2,029)	78%	
Industrial (Part 9) - New	6,470	517	(5,952)	8%	
Industrial (Part 9) - Alterations/ Repairs/ Additions	5,625	1,235	(4,390)	22%	
Agricultural - New	1,226	2,065	840	169%	
Agricultural - Repair/ Alterations/ Additions	1,149	1,630	480	142%	
Demolitions - Residential	333	75	(257)	23%	
Demolitions - Non-Residential	541	75	(466)	14%	
Plumbing	457				
Sewer Laterals	535				
Public Pool	1,398				
Residential Pool	426				
Accessory Structure	626	268	(358)	43%	
Septic System - New	465	609	144	131%	
Septic System - Alterations/ Repairs	465	366	(99)	79%	
Signs	406	85	(321)	21%	
Decks	541				
Solar & Wind Turbines	406				
Tent & Temporary Structures	364				
Wood & Stove Fireplaces	499				
Designated Structures	421				

As summarized in Table 3-3 below, based on forecast building permit volumes, processing activities would result in costs of \$1.82 million annually. Direct costs of processing represent the largest component of annual costs at \$1.54 million or 85% of full costs. These costs are derived from the resource capacity analysis prepared based on the County's staff processing estimates for each application type and available staff resources. Indirect support and corporate overhead costs represent 15% of total processing costs, or \$0.28 million annually. The County's current building permit fee

structure could be expected to recover approximately \$1.37 million of costs annually, or 75% of full cost.

	_	2018-2022 Annual Average (2018\$)		
Direct Costs	\$	1,540,144		
Indirect Costs	\$	278,166		
Total Costs	\$	1,818,310		
Revenues (at existing fees)	\$	1,366,882		
% Cost Recovery		75%		

Table 3-3Average Annual Costs and Revenues of Building Permit Activities (2018-2022)

3.3 Fee Structure Recommendations and Building Code Act Reserve Fund Design

3.3.1 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 County 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 County 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 County with the ability to retain a sustainable portion of the qualified staff across a future economic downturn, while recognizing the County'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 County in 2006, it was recommended that the County adopt a reserve fund strategy and pricing structure to accumulate 1.25 years' total building permit processing costs in a reserve fund.

To develop a new target multiple of building permit costs that the building permit reserve fund should reach, the County's residential building permit activity over a 25-year period (1992-2016) was examined. Figure 3-1 presents this historical residential building permit activity and identifies a recent 9-year time horizon where annual permit volume was lower than the prevailing 25-year annual average.

In comparing this downturn in building permit activity compared to the 25-year average annual permit volume, approximately 2.39 years of cumulative permit volumes were lost. The County's building permit reserve fund will need to manage the risk associated with a similar downturn in building activity at some unspecified point in the future. Therefore, to ensure that sufficient reserves are established for these purposes, the County should accumulate a reserve balance equivalent to 2.39 years of total building permit processing costs.



Figure 3-1 Historical Residential Building Permit Activity

Based on the annual modeled building permit processing costs of approximately \$1.8 million, the building permit reserve fund target funding level should be approximately \$4.3 million. The County had a closing balance of almost \$5.3 million at year-end 2017. This surplus position has been largely influenced by one-time permit revenues from

wind turbine permit applications which are not anticipated to occur in the forecast, as such resulting in 75% cost recovery. The County's current reserve fund position has been taken into account with the recommended fees.

3.3.2 Building Permit Fee Recommendations

The County currently imposes building permit fees based on construction value for most building permit types. Municipal practice has largely changed in this respect, with building permit fees being imposed on building size (i.e. floor area). This has occurred largely in response to construction value not being a directly verifiable charging parameter, thus creating revenue uncertainty for municipalities. Therefore, it is recommended that the County adopt a fee structure using permit building size as the main charging parameter, with other flat fee structures utilized only for specific cases.

As summarized in Table 3-2 above, the various building permit fees imposed by the County vary significantly in terms of full cost recovery levels. Fee recommendations have been made in the first instance to increase underperforming fees, and to move fees to witnessed market levels where full cost fees would be beyond market levels. Table 3-4 below details the recommended building permit fees forecast and the respective charging parameters. This forecast incorporates an annual indexing factor to ensure that revenues keep pace with inflationary cost increases. The County has a standard methodology for determining the annual increase required for fees and charges, generally based on an analysis of the underlying costs. The historical average increase has been 2.30% annually, and this rate has been applied to the forecast fees in Table 3-4.

Due to the change in building permit fee structure and the surplus position of the building permit reserve fund relative to target funding levels, the proposed fees are being recommended within market levels. The recommendations will allow the County to increase cost recovery performance (estimated at 84% cost recovery) and monitor future permit characteristics, principally floor area, to validate the proposed fees imposed under the changed fee structure. Based on permit fee performance, as indicated by annual reporting, a future permit fee review may be warranted to adjust under performing fees based on verifiable data and to move beyond market levels as practical.

Appendix A contains a survey of building fees (2018\$) with selected peer municipalities. Reflecting the proposed fee structure, and to facilitate like comparisons, all comparator municipalities' fees are presented in charging parameters identical to those as identified in Table 3-4. 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 County from 2013-2017. This comparison was used in determining the market competitiveness of building permit fee recommendations.

Recommended Building Permit Fees (2018\$)							
Permits	2018 Charge	2019 Charge	2020 Charge	2021 Charge	2022 Charge		
Minimum Fee							
Minimum fee for processing and issuance of permits, except where	\$239.00	\$244.00	\$250.00	\$256.00	\$262.00		
specifically noted otherwise in this By-law	· · · · · · · · · · · · · · · · · · ·						
	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)		
Group A (Assembly Occupancies)	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise		
All Despection Facilities Flowerstern Ocharle, Deverer Facilities	indicated	indicated	indicated	indicated	indicated		
All Recreation Facilities, Elementary Schools, Daycare Facilities, Libraries, Places of Worship, Restaurants, Theatres, Arenas,							
Gymnasiums, Indoor Pools, Secondary Schools and all other Group A	\$15.77	\$16.13	\$16.50	\$16.88	\$17.27		
Buildings							
Portable Classrooms	\$356.00 (flat fee)	\$364.00 (flat fee)	\$372.00 (flat fee)	\$381.00 (flat fee)	\$390.00 (flat fee)		
Shell only	\$13.69	\$14.00	\$14.32	\$14.65	· · · · · · · · · · · · · · · · · · ·		
Finishing only	\$3.57	\$3.65	\$3.73	\$3.82			
Alterations/Repairs/Additions	\$5.85		\$6.12	\$6.26			
Non-Residential - Outdoor Patio	\$179.00 (flat fee)		\$187.00 (flat fee)	\$191.00 (flat fee)	\$195.00 (flat fee)		
	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)		
Group B (Institutional Occupancies)	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise		
	indicated	indicated	indicated	indicated	indicated		
Institutional, Hospitals, Medical Care Facilities, Nursing Homes, and	\$15.77	\$16.13	\$16.50	\$16.88	\$17.27		
other Group B Buildings	φ15.77	φ10.13	φ10.50	φ10.00	ψ17.27		
Shell only	\$12.61	\$12.90	\$13.20	\$13.50	\$13.81		
Finishing only	\$3.16		\$3.30	\$3.38			
Alterations/Repairs/Additions	\$5.85	\$5.98	\$6.12	\$6.26	· · · · · ·		
	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)		
Group C (Residential Occupancies)	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise		
	indicated	indicated	indicated	indicated	indicated		
Single Family Dwelling, semi, duplex, row house, townhouse	\$15.81	\$16.17	\$16.54	\$16.92	· · · · · · · · · · · · · · · · · · ·		
Apartment buildings	\$15.03			\$16.09			
Hotels, Motels	\$19.87	\$20.33	\$20.80	\$21.28	· · · ·		
Alterations/Repairs/Additions	\$7.97	\$8.15	\$8.34	\$8.53			
Crown D (Rusings) and Research Services)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)		
Group D (Business and Personal Services)	\$/m ² unless otherwise indicated	\$/m ² unless otherwise indicated					
Office Buildings (up to 10 storeys) (Shell only)	\$13.64		\$14.27	\$14.60			
Office Buildings (up to 10 storeys) (Finishing only)	\$4.36			\$4.66			
Office Buildings (up to 10 storeys) (Finished)	\$17.99		\$18.82	\$19.25			
Office Buildings (more than 10 storeys) (Shell only)	\$16.49		\$17.26	\$17.66			
Office Buildings (more than 10 storeys) (Finishing only)	\$4.63		\$4.85	\$4.96			
Office Buildings (more than 10 storeys) (Finished)	\$21.12		\$22.11	\$22.62			
Alterations/Repairs/Additions	\$5.85						
	φΟ.00	φ <u></u> 0.90	φ0.1Z	φ0.20	φ 0.4 0		

Table 3-4Recommended Building Permit Fees (2018\$)

Table 4-3 (cont.) Recommended Building Permit Fees (2018\$)

Permits	2018 Charge	2019 Charge	2020 Charge	2021 Charge	2022 Charge
	Service Index (SI)				
Group E (Mercantile)	\$/m ² unless otherwise				
	indicated	indicated	indicated	indicated	indicated
Retail (Shell only)	\$13.45	\$13.76		\$14.40	
Retail (Finishing only)	\$4.55	\$4.65	· · · ·	\$4.87	\$4.98
Retail (Finished)	\$17.99	\$18.41	\$18.83	\$19.26	
Alterations/Repairs/Additions	\$5.85	\$5.98		\$6.26	
	Service Index (SI)				
Group F (Industrial)	\$/m ² unless otherwise				
Industrial (Chall anh.)	indicated	indicated	indicated	indicated	indicated
Industrial (Shell only)	\$6.98	\$7.14	· · ·	\$7.47	\$7.64
Industrial (Finishing only)	\$3.81	\$3.90		\$4.08	\$4.17
Industrial (Finished)	\$10.80	\$11.05		\$11.56	
Parking Garages	\$6.36	\$6.51	\$6.66	\$6.81	\$6.97
Gas Stations	\$11.60	\$11.87		\$12.42	\$12.71
Alterations/Repairs/Additions	\$5.85	\$5.98		\$6.26	
Conditional or Standalone Permits (in addition to the regular	Flat Fee				
permit fee)	Unless otherwise				
Footings and Foundation	indicated	indicated	indicated	indicated	indicated
Residential under Part 9 of Division B of the Building Code	\$325.00	\$332.00	\$340.00	\$348.00	\$356.00
.	φ323.00	φ 3 32.00	φ340.00	φ340.00	ფა ნდ. 00
Residential/Commercial/Industrial/Institutional under Part 3 of Division	\$923.00	\$944.00	\$966.00	\$988.00	\$1011.00
B of the Building Code (up to 1,200 m ²)					
Residential/Commercial/Industrial/Institutional under Part 3 of Division	\$2771.00	\$2835.00	\$2900.00	\$2967.00	\$3035.00
B of the Building Code (up to 1,200 m ²)	φ2111.00	φ2000.00	φ2900.00	φ2307.00	ψ0000.00
New Water Service Existing Building (inspection only)	Flat Fee				
New water service (low density residential only)	\$100.00	\$102.00	\$104.00	\$106.00	\$108.00
New sewer service (low density residential only)	\$100.00	\$102.00	\$104.00	\$106.00	\$108.00
Designated Structures	Flat Fee				
Communication Tower	\$429.00	\$439.00	\$449.00	\$459.00	\$470.00
Crane Runway	\$429.00	\$439.00	\$449.00	\$459.00	\$470.00
Exterior Storage Tanks - Above and below ground (except for fire	\$429.00	\$439.00	\$449.00	\$459.00	\$470.00
fighting water reservoirs)	\$429.00	\$439.00	\$449.00	\$409.00 	φ470.00
Pedestrian Bridge/Walkway	\$429.00	\$439.00	\$449.00	\$459.00	\$470.00
Retaining Wall	\$429.00	\$439.00	\$449.00	\$459.00	\$470.00
Silos	\$429.00	\$439.00	\$449.00	\$459.00	\$470.00
Outdoor Public Swimming Pool	\$1398.00	\$1430.00	\$1463.00	\$1497.00	\$1531.00

			· ,		
Permits	2018 Charge	2019 Charge	2020 Charge	2021 Charge	2022 Charge
Fire Protection Systems (stand alone - excludes relocation of	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)
components for existing system)	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise
	indicated	indicated	indicated \$157.00 (each)	indicated	indicated
Electromagnetic Locks/Electric Strikes	\$150.00 each (maximum \$600)	\$153.00 (each) (maximum \$ 614)	· · · · ·	\$161.00 (each) (maximum \$ 642)	· · ·
Fire Alarm System	\$356.00 (flat fee)	\$364.00 (flat fee)		\$381.00 (flat fee)	\$390.00 (flat fee)
Emergency Lighting/Exit Signs	\$356.00 (flat fee)	\$364.00 (flat fee)	, ,	\$381.00 (flat fee)	\$390.00 (flat fee)
Sprinkler System	\$0.59	\$0.60	,	\$0.62	, , , , , , , , , , , , , , , , , , ,
Standpipe System	\$356.00 (flat fee)	\$364.00 (flat fee)	\$372.00 (flat fee)	\$381.00 (flat fee)	\$390.00 (flat fee)
Combined Sprinkler and Standpipe System	\$450.00 (flat fee)	\$460.00 (flat fee)	\$471.00 (flat fee)	\$482.00 (flat fee)	\$493.00 (flat fee)
Mechanical Systems (stand alone)	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Flat Fee
Commercial Cooking Exhaust System	\$356.00	\$364.00	\$372.00	\$381.00	\$390.00
	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)
Demolition (complete or partial building - not issued under Demolition Control By-law)	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise
Demonuon Control By-law)	indicated	indicated	indicated	indicated	indicated
Residential - single/two family dwelling and townhouses	\$0.98	\$1.00	\$1.02	\$1.04	\$1.06
Accessory structures to a residential use	\$75.00 (flat Fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
Non-residential and multi residential	\$0.98 (\$830 minimum)	\$1.00 (\$849 minimum)	\$1.02 (\$869 minimum)	\$1.04 (\$889 minimum)	\$1.06 (\$909 minimum)
Plumbing Devices (stand alone)	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Flat Fee
Residential	\$56.00 (flat fee)	\$57.00 (flat fee)	\$58.00 (flat fee)	\$59.00 (flat fee)	\$60.00 (flat fee)
	+ \$9.00 per fixture	+ \$9.21 per fixture)		+ \$9.64 per fixture)	· · · · · · · · · · · · · · · · · · ·
Non-Residential	\$68.00 (flat fee)	\$70.00 (flat fee)		\$74.00 (flat fee)	· · · · ·
	+ \$16.00 per fixture	+ \$16.37 per fixture)	+ \$16.67 per fixture)	+ \$16.98 per fixture)	+ \$17.29 per fixture)
Backflow Preventer					
For first premise or zone device	\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
For each additional premise or zone device	\$100.00	\$102.00	\$104.00	\$106.00	\$108.00
Backwater Valve	\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
Grease/Oil Interceptor	\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
Renewable (Green) Energy Systems	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Flat Fee
Geothermal System for a Single/Two Family Dwelling	\$400.00	\$409.00	\$418.00	\$428.00	\$438.00
Geothermal System for all other Buildings	\$536.00	\$548.00	\$561.00	\$574.00	\$587.00
Solar Collector for a Single/Two Family Dwelling	\$223.00	\$228.00	\$233.00	\$238.00	\$243.00
Solar Collector for all other Buildings	\$400.00	\$409.00	\$418.00	\$428.00	\$438.00
Wind Turbine	\$400.00	\$409.00	\$418.00	\$428.00	\$438.00
Sewage Systems	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Flat Fee
To construct a sewage system pursuant to the provisions of the Act	\$609.00	\$623.00	\$637.00	\$652.00	\$667.00
To construct a Class 5 sewage systems or to repair a sewage system	\$366.00	\$374.00	\$383.00	\$392.00	\$401.00
pursuant to the provisions of the Act					
Sewage System Maintenance Inspection Program	\$310.00	\$317.00	\$324.00	\$331.00	\$339.00

Table 4-3 (cont.) Recommended Building Permit Fees (2018\$)

Table 4-3 (cont.) Recommended Building Permit Fees (2018\$)

2018 Charge	2019 Charge	2020 Charge	2021 Charge	2022 Charge
				Service Index (SI)
	. ,		. ,	\$/m ² unless otherwise
				indicated
\$3.50	\$3.58	\$3.66	\$3.74	\$3.83
\$2.00	\$2.05	\$2.10	\$2.15	\$2.20
\$1.47	\$1.50	\$1.53	\$1.57	\$1.61
\$1.59 (Maximum \$5,250)	\$1.63 (Maximum \$5,371)	\$1.67 (Maximum \$5,495)	\$1.71 (Maximum \$5,621)	\$1.75 (Maximum \$5,750)
Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)	Service Index (SI)
\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise	\$/m ² unless otherwise
indicated	indicated	indicated	indicated	indicated
\$75.00 (flat fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
\$75.00 (flat fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
\$75.00 (flat fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
\$75.00 (flat fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
\$75.00 (flat fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
· · ·		· · ·	· ·	
\$75.00 (flat fee)	\$77.00 (flat fee)	\$79.00 (flat fee)	\$81.00 (flat fee)	\$83.00 (flat fee)
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
¢∩ 28	¢0.20	¢0.30	¢በ 31	\$0.32
ψ0.20	ψ0.29	φ0.50	ψ0.51	ψ0.52
				Flat Fee
	. ,		. ,	\$169.00 (flat fee)
	-	-	-	-
third submission)	third submission)	third submission)	third submission)	third submission)
\$450.00	\$460.00	\$471.00	\$482.00	\$493.00
¢452.00	¢157.00	¢161.00	¢165.00	¢100.00
\$153.00	\$157.00	\$161.00	\$165.00	\$169.00
\$153.00 \$239.00				
	\$244.00	\$250.00		\$262.00
\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
\$239.00	\$244.00	\$250.00	\$256.00	\$262.00
\$239.00 \$153.00 (per unit)	\$244.00 \$157.00 (per unit)	\$250.00 \$161.00 (per unit)	\$256.00 \$165.00 (per unit)	\$262.00 \$169.00 (per unit)
\$239.00 \$153.00 (per unit) \$200.00 (per inspection)	\$244.00 \$157.00 (per unit) \$205.00 (per inspection)	\$250.00 \$161.00 (per unit) \$210.00 (per inspection)	\$256.00 \$165.00 (per unit) \$215.00 (per inspection)	\$262.00 \$169.00 (per unit) \$220.00 (per inspection)
\$239.00 \$153.00 (per unit)	\$244.00 \$157.00 (per unit)	\$250.00 \$161.00 (per unit) \$210.00 (per inspection)	\$256.00 \$165.00 (per unit)	\$262.00 \$169.00 (per unit) \$220.00 (per inspection)
\$239.00 \$153.00 (per unit) \$200.00 (per inspection)	\$244.00 \$157.00 (per unit) \$205.00 (per inspection)	\$250.00 \$161.00 (per unit) \$210.00 (per inspection)	\$256.00 \$165.00 (per unit) \$215.00 (per inspection)	\$262.00
	\$1.59 (Maximum \$5,250) Service Index (SI) \$/m ² unless otherwise indicated \$75.00 (flat fee) \$75.00 (flat fee) \$0.28 Flat Fee \$153.00 (flat fee)	Service Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicated\$3.50\$3.58\$2.00\$2.05\$1.47\$1.50\$1.59 (Maximum \$5,250)\$1.63 (Maximum \$5,371)Service Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicated\$/m² unless otherwise indicated\$77.00 (flat fee)\$/m² unless otherwise indicated\$157.00 (flat fee)\$/m² unless indicated\$157.00 (flat fee) <td>Service Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicated\$3.50\$3.50\$3.58\$3.66\$2.00\$2.05\$2.10\$1.47\$1.50\$1.53\$1.59 (Maximum \$5,250)\$1.63 (Maximum \$5,371)\$1.67 (Maximum \$5,495)Service Index (SI) \$/m² unless otherwise indicated\$ervice Index (SI) \$/m² unless otherwise indicated\$ervice Index (SI) \$/m² unless otherwise indicated\$75.00 (flat fee)\$77.00 (flat fee)\$79.00 (flat fee)\$75.00 (flat fee)\$77.00 (flat fee)\$79.00 (flat fee)\$0.00\$0.00\$0.00\$0.00\$0.28\$0.29\$0.30\$0.28\$0.29\$0.30\$161.00 (flat fee)\$157.00 (flat fee)\$175.00 (flat fee)\$161.00 (flat fee)\$175.00 (flat fee)\$161.00 (flat fee)\$163.00 (flat fee)\$157.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat</td> <td>Service Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicated\$3.50\$3.58\$3.66\$3.74\$2.00\$2.05\$2.10\$2.15\$1.47\$1.50\$1.53\$1.57\$1.59 (Maximum \$5,250)\$1.63 (Maximum \$5,371)\$1.67 (Maximum \$5,495)\$1.71 (Maximum \$5,621)\$m² unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$m2 unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$75.00 (flat fee)\$77.00 (flat fee)\$79.00 (flat fee)\$81.00 (flat fee)\$75.00 (flat fee)\$77.00 (flat fee)\$165.00 (flat fee)\$165.00 (flat fee)<t< td=""></t<></td>	Service Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicated\$3.50\$3.50\$3.58\$3.66\$2.00\$2.05\$2.10\$1.47\$1.50\$1.53\$1.59 (Maximum \$5,250)\$1.63 (Maximum \$5,371)\$1.67 (Maximum \$5,495)Service Index (SI) \$/m² unless otherwise indicated\$ervice Index (SI) \$/m² unless otherwise indicated\$ervice Index (SI) \$/m² unless otherwise indicated\$75.00 (flat fee)\$77.00 (flat fee)\$79.00 (flat fee)\$75.00 (flat fee)\$77.00 (flat fee)\$79.00 (flat fee)\$0.00\$0.00\$0.00\$0.00\$0.28\$0.29\$0.30\$0.28\$0.29\$0.30\$161.00 (flat fee)\$157.00 (flat fee)\$175.00 (flat fee)\$161.00 (flat fee)\$175.00 (flat fee)\$161.00 (flat fee)\$163.00 (flat fee)\$157.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat fee)\$161.00 (flat	Service Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicatedService Index (SI) \$/m² unless otherwise indicated\$3.50\$3.58\$3.66\$3.74\$2.00\$2.05\$2.10\$2.15\$1.47\$1.50\$1.53\$1.57\$1.59 (Maximum \$5,250)\$1.63 (Maximum \$5,371)\$1.67 (Maximum \$5,495)\$1.71 (Maximum \$5,621)\$m² unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$m2 unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$m² unless otherwise indicated\$75.00 (flat fee)\$77.00 (flat fee)\$79.00 (flat fee)\$81.00 (flat fee)\$75.00 (flat fee)\$77.00 (flat fee)\$165.00 (flat fee)\$165.00 (flat fee) <t< td=""></t<>

4. Impact Analysis of Recommended Fee Structure

In order to understand the impacts of the building permit fee structure recommendations, an impact analysis for sample developments has been prepared.

4.1 Impact Analysis

Four development types have been considered, including:

- Residential subdivision application of 100 single detached units
- Retail building permit application of 600 m²
- Industrial building permit application of 325 m²
- Agricultural building permit application of 1,200 m²

Tables and Figures 4-1 through 4-4 provide development fee comparisons for selected municipalities. The development fee comparison includes planning application fees, building permit fees and development charges for the first development type (residential subdivision), building permit fees and development charges for the second and third development type (retail and industrial), and only building permit fees for the fourth (agricultural). 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 building permit fee structure options in the context of the total development fees payable to provide a broader context for the fee considerations.

4.1.1 Residential Single Detached Dwelling Unit (Figure 4-1 & Table 4-1)

A 100-unit single detached residential subdivision in Haldimand County would currently pay \$279,345 in building permit fees under the County's current fee structure.

Under the recommended fee structure, building permit fees would increase by \$3,600 per unit (+1.3%). Including planning application fees and development charges, total development fees for this type of applicant would increase by approximately 0.2%. The County's position relative to the comparator municipalities would remain the same.

4.1.2 Retail Building (608 m²) (Figure 4-2 & Table 4-2)

The current building permit fees for a retail building of 608 m² and a construction value of 831,623 would be 10,847. Imposing the recommended fee structure would result in a fee of 10,930, an increase of 82 (+0.8%). Measuring the impact including

development charges, the total application cost would increase by approximately 0.4%. Under this recommendation, the County's position relative to the comparator municipalities would remain the same.

4.1.3 Industrial Building (m²) (Figure 4-3 & Table 4-3)

The current building permit fees for an industrial building of 345 m² and a construction value of \$283,948 would be \$3,727. Imposing the recommended fee structure would result in a fee of \$3,726, a decrease of \$1 (-0.0%). Measuring the impact including development charges, the total application cost would decrease by approximately 0.0%. Under this recommendation, the County's position relative to the comparator municipalities would remain the same.

4.1.4 Agricultural Building (m²) (Figure 4-4 & Table 4-4)

The current building permit fees for an agricultural building of 1,231 m² and a construction value of \$156,087 would be \$2,065. Imposing the recommended fee structure would result in a fee of \$2,463, an increase of \$398 (+19%). Under this recommendation, the County's position relative to the comparator municipalities would increase to 5th out of 10 comparator municipalities.

4.2 Impact Analysis Summary

Based on the survey results, the recommended fees produce development fees greater than those provided under the current fee structure for residential single family dwelling developments and agricultural buildings and lower fees for retail and industrial buildings. However, except for agricultural buildings, the total impact on development fees does not change the County's market position relative to the comparator municipalities. Figure 5-1



Table 5-1Development Fee Impacts for a Residential Single Detached (100 unit) Subdivision

			Plan of		lding Permit	De	velopment		Building Permit
Rank	Municipality	Su	Subdivision		Fees		Charges	Total	Fees - % of Total
1	Oakville	\$	172,613	\$	326,716	\$	6,870,355	\$ 7,369,684	4.4%
2	Burlington	\$	220,665	\$	253,674	\$	4,315,955	\$ 4,790,294	5.3%
3	Hamilton	\$	118,510	\$	296,710	\$	3,933,700	\$ 4,348,920	6.8%
4	Lincoln	\$	76,200	\$	254,661	\$	3,129,600	\$ 3,460,461	7.4%
5	West Lincoln	\$	38,200	\$	235,315	\$	3,155,500	\$ 3,429,015	6.9%
6	Brant County	\$	71,840	\$	300,833	\$	2,413,300	\$ 2,785,973	10.8%
7	Brantford	\$	48,629	\$	242,241	\$	2,205,200	\$ 2,496,070	9.7%
8	Norfolk County	\$	30,762	\$	279,345	\$	1,405,200	\$ 1,715,307	16.3%
9	Haldimand County (Proposed)	\$	23,012	\$	282,945	\$	1,178,354	\$ 1,484,311	19.1%
10	Haldimand County (Current)	\$	23,012	\$	279,345	\$	1,178,354	\$ 1,480,711	18.9%



		Buil	Building Permit		evelopment		Building Permit
Rank	Municipality	Fees			Charges	Total	Fees - % of Total
1	Burlington	\$	13,998	\$	287,167	\$ 301,165	4.6%
2	Oakville	\$	13,973	\$	278,704	\$ 292,677	4.8%
3	West Lincoln	\$	7,053	\$	141,121	\$ 148,175	4.8%
4	Hamilton	\$	10,006	\$	130,396	\$ 140,402	7.1%
5	Lincoln	\$	7,193	\$	125,629	\$ 132,822	5.4%
6	Brant County	\$	11,643	\$	42,382	\$ 54,024	21.6%
7	Brantford	\$	7,193	\$	44,684	\$ 51,877	13.9%
8	Norfolk County	\$	10,811	\$	37,861	\$ 48,673	22.2%
9	Haldimand County (Proposed)	\$	10,930	\$	19,550	\$ 30,480	35.9%
10	Haldimand County (Current)	\$	10,847	\$	19,550	\$ 30,398	35.7%

Table 5-2Development Fee Impacts for a Retail Building (608 m², \$831,623 Construction Value)

Figure 5-3



		Bui	Building Permit		Development			Building Permit
Rank	Municipality		Fees		Charges		Total	Fees - % of Total
1	Oakville	\$	6,935	\$	77,403	\$	84,338	8.2%
2	Burlington	\$	3,295	\$	66,377	\$	69,672	4.7%
3	Lincoln	\$	2,598	\$	47,613	\$	50,211	5.2%
4	Hamilton	\$	3,988	\$	45,159	\$	49,147	8.1%
5	West Lincoln	\$	2,984	\$	33,386	\$	36,371	8.2%
6	Brant County	\$	3,975	\$	24,068	\$	28,044	14.2%
7	Haldimand County (Current)	\$	3,727	\$	11,103	\$	14,830	25.1%
8	Haldimand County (Proposed)	\$	3,726	\$	11,103	\$	14,829	25.1%
9	Brantford	\$	3,082	\$	6,344	\$	9,426	32.7%
10	Norfolk County	\$	3,691	\$	-	\$	3,691	100.0%

Table 5-3Development Fee Impacts for an Industrial Building (345 m², \$283,948 Construction Value)

Figure 5-4



Page 4-10

 Table 5-4

 Development Fee Impacts for an Agricultural Building (1,231 m², \$156,087 Construction Value)

		Bu	uilding
Rank	Municipality	Perr	nit Fees
1	Oakville	\$	24,208
2	Brantford	\$	5,037
3	Burlington	\$	4,556
4	Hamilton	\$	3,387
5	Haldimand County (Proposed)	\$	2,463
5	West Lincoln	\$	2,463
7	Brant County	\$	2,185
8	Lincoln	\$	2,118
9	Haldimand County (Current)	\$	2,065
10	Norfolk County	\$	2,029

5. Building Permit Fees Review Study Conclusions

5.1 Conclusions

Summarized in this technical report is the legislative context for the building permit fees review, the methodology undertaken, activity-based costing results and the associated fee structure recommendations.

As summarized in section 3.2, total costs of processing building permits are estimated to average \$1.82 million annually, based on forecast building permit volumes. The County's current fee structure would be expected to recover approximately 75% of these costs (\$1.53 million annually).

Building permit fee recommendations identified in section 3.3.2 have been formulated to increase cost recovery levels in underperforming permit categories while staying within market levels. With the targeted fee adjustments, overall cost recovery would increase from 75% to 84%. With the exception of agricultural buildings, the total impact on development fees does not change the County's market position relative to the comparator municipalities.

Additionally, it is being recommended that the County adopt a fee structure using building size as the main charging parameter. This would better align with general municipal practice in this regard, and would result in better revenue predictability.

Finally, as noted in section 3.3.2, it would be advisable for the County to monitor actual revenues relative to target levels on an ongoing basis and to consider periodic fee reviews to maintain desired performance.

Appendix A – Building Permit Fee Municipal Survey

Page A-2

Table A-1Building Permit Fee Survey

Permit Type	Norfolk County	Brant County	Brantford	Hamilton	West Lincoln	Wainfleet	Pelham	Lincoln	Grimsby	Market Average	Market Maximum	Charging Parameter
Assembly - New	\$9.20	\$9.90	\$18.51	\$22.33	\$14.33	\$15.73	\$18.48	\$16.04	\$17.44	\$15.77	\$22.33	per m ²
Assembly - Alterations/ Repairs/ Additions	\$6.86	\$7.30	\$7.56	\$3.33	\$8.60	\$4.69	\$4.26	\$5.92	\$4.09	\$5.85	\$8.60	per m ²
Residential SFD - New	\$14.33	\$15.24	\$12.27	\$15.03	\$11.92	\$13.07	\$15.14	\$12.90	\$13.35	\$13.69	\$15.24	per m ²
Residential SFD - Alterations/ Repairs / Additions	\$7.97	\$7.76	\$8.03	\$3.33	\$7.15	\$3.26	\$3.23	\$5.38	\$4.09	\$5.58	\$8.03	per m ²
Residential Multi Unit (Part 9) - New	\$11.01	\$11.78	\$12.27	\$15.03	\$11.92	\$13.07	\$15.42	\$12.90	\$10.44	\$12.65	\$15.42	per m ²
Residential Multi Unit (Part 3) - New	\$10.99	\$11.78	\$12.27	\$15.03	\$11.92	\$13.07	\$15.42	\$12.90	\$10.44	\$12.65	\$15.42	per m ²
Residential Multi Unit (Part 3 & 9) - Alterations/ Repairs/ Additions	\$113.60	\$119.77	\$124.04	\$3.33	\$7.15	\$3.26	\$3.23	\$5.38	\$4.09	\$42.65	\$124.04	per m ²
Groups D & E (Part 9) - New	\$17.99	\$19.18	\$11.84	\$16.47	\$11.61	\$12.89	\$18.48	\$13.45	\$12.81	\$14.97	\$19.18	per m ²
Groups D & E (Part 9) - Alterations/ Repairs/ Additions	\$8.62	\$8.91	\$9.23	\$3.33	\$6.97	\$3.86	\$4.26	\$5.38	\$12.81	\$7.04	\$12.81	per m ²
Groups D & E (Part 3) - New	\$17.85	\$19.16	\$11.84	\$19.79	\$11.61	\$12.89	\$18.48	\$13.45	\$12.81	\$15.32	\$19.79	per m ²
Groups D & E (Part 3) - Alterations/ Repairs/ Additions	\$8.46	\$8.90	\$9.22	\$3.33	\$6.97	\$3.86	\$4.26	\$5.38	\$12.81	\$7.02	\$12.81	per m ²
Industrial (Part 3) - New	\$10.80	\$11.52	\$8.93	\$11.56	\$8.65	\$9.60	\$17.37	\$7.53	\$8.72	\$10.52	\$17.37	per m ²
Industrial (Part 3) - Alterations/ Repairs/ Additions	\$23.16	\$24.82	\$25.71	\$3.33	\$5.19	\$2.87	\$4.26	\$3.77	\$2.58	\$10.63	\$25.71	per m ²
Industrial (Part 9) - New	\$11.50	\$11.52	\$8.93	\$11.56	\$8.65	\$9.60	\$17.37	\$7.53	\$8.72	\$10.60	\$17.37	per m ²
Industrial (Part 9) - Alterations/ Repairs/ Additions	\$23.75	\$24.83	\$25.72	\$3.33	\$5.19	\$2.87	\$4.26	\$3.77	\$2.58	\$10.70	\$25.72	per m ²
Agricultural - New	\$1.68	\$1.77	\$4.09	\$2.75	\$2.00	\$2.19	\$5.01	\$1.72	\$2.69	\$2.66	\$5.01	per m ²
Agricultural - Repair/ Alterations/ Additions	\$1.08	\$1.14	\$1.18	\$2.75	\$2.00	\$2.19	\$2.78	\$1.72	\$2.69	\$1.95	\$2.78	per m ²
Demolitions - Residential	\$0.61	\$1.13	\$0.85	\$0.45	\$0.67	\$1.11	\$2.02	\$0.43	\$1.57	\$0.98	\$2.02	per m ²
Demolitions - Non-Residential	\$0.03	\$0.03	\$0.04	\$0.45	\$0.67	\$0.03	\$0.16	\$0.43	\$0.07	\$0.21	\$0.67	per m ²
Plumbing			\$13.50		\$8.00	\$10.00			\$8.10	\$9.90	\$13.50	Flat
Sewer Laterals				\$153.00						\$153.00	\$153.00	Flat
Public Pool			\$155.00	\$1,740.00			\$750.00	\$2,000.00	\$135.03	\$956.01	\$2,000.00	Flat
Residential Pool			\$155.00				\$250.00		\$135.03	\$180.01	\$250.00	Flat
Accessory Structure	\$3.48	\$3.25		\$5.39	\$3.00	\$4.98	\$8.90		\$4.09	\$4.73	\$8.90	per m ²
Septic System - New	\$500.00	\$630.00	\$625.00	\$829.00	\$800.00					\$676.80	\$829.00	Flat
Septic System - Alterations/ Repairs	\$350.00	\$300.00	\$210.00	\$507.00	\$425.00			ć250.00	6425.02	\$358.40	\$507.00	Flat
Signs Decks		\$140.00	\$105.00 \$130.00	\$213.00	\$125.00			\$250.00	\$135.03 \$135.03	\$161.34 \$132.52	\$250.00 \$135.03	Flat Flat
Solar & Wind Turbines			\$120.00		\$250.00	\$500.00	\$500.00		\$122.03	\$132.52	\$135.03	Flat
Tent & Temporary Structures		\$140.00	\$105.00		\$125.00	\$137.98	\$250.00		\$194.44	\$158.74	\$300.00	Flat
Wood & Stove Fireplaces		\$80.00	÷100.00		\$125.00	<i>\</i>	7200.00	\$175.00	<i>410</i>	\$126.67	\$175.00	Flat
Designated Structures				\$429.00						\$429.00	\$429.00	Flat