

Recommendation:

That the Building Department-2023-15 report, dated December 19, 2023, regarding 2024 Permit Fees be received and the proposed 2024 Fee Schedule be approved via By-law 2023-61 at the appropriate time in the meeting.

Overview:

The Building Department aims to operate on a complete cost recovery financial model. This means that Building Department fees should be set to cover the anticipated costs of operating the Department.

Department fees have not been adjusted since 2021.

Inflation has significantly increased the cost of doing business. The Building Department is not immune to these increases, and as such, the departments operating costs have increased significantly.

Part of our review was to look at what fixed rate fees were invoiced most frequently and where the Department experiences a draw on staff time over and above regular departmental tasks. The Building Department is proposing an increase for Sewage System Permit Fees and an introduction of three new fixed amount fees.

Sewage System Permit Fees

The increase in these fees are inline with the inflation numbers over the last couple of years. The 2023 permit fees charged throughout the County are approximately 30% higher than our proposed 2024 fees.

New Fees

Permit Renewal Fee (\$200.00) – This fee will be due, at the start of a calendar year (Jan 1), on any open building permits that have been issued for more than one calendar year.

The longer a permit stays open, the more work goes into completing inspections and finalizing the permit. The Building Department must enforce the Code that was in effect at the time the permit was issued. This means, as time goes on, department staff are required to review past iterations of the Code in order to make appropriate decisions. This takes a significant amount of added time to complete. Additionally, open building permits can create hold-ups on the sale of a property. This is a challenge for all parties involved and can lead to emotionally charged interactions with Building Department staff.

A permit renewal fee helps incentivize property owners to close their outstanding building permits or offsets the additional cost incurred by the Building Department to

complete the necessary research when attending a property to complete inspection on an old permit.

Six of the other seven Township's within Peterborough County already have permit renewal fees. The median for renewal fees is \$210.75.

Additional Inspection Fee (\$225.00) – This fee may be charged, at the discretion of the CBO, for any inspections beyond two, for any stage of construction or for any inspection deemed necessary by the Chief Building Official.

The intent of this fee is to account for the additional staff time required for call back inspections where the work was not complete initially, or it failed inspection, and was not satisfactorily completed by the end of the second visit. This fee may also be charged for projects that require inspections in addition to, and outside the scope of a regular inspection.

This is an established fee in five of the other seven Township's within the County.

Permit Revision/Extra Plans Review (\$225.00) – This fee is to account for changes made during construction that cause the Building Department to undertake additional plans review or a revision to the building permit. This fee will only be charged for additional work completed after the permit is issued and at the discretion of the Chief Building Official.

Some of the other Townships within the County charge this out at an hourly cost. A set fee removes some of the ambiguity on a fee that is already discretionary.

Conclusion:

As identified above, inflation has significantly increased the cost of living and more specifically the cost of construction. Our Department is mindful of how fee increases impact the end user. That is why the Building Department is only seeking to modify a limited portion of our current fees. Many of our Department's fees are related to construction value. As inflation increases, so does the associated costs of construction. Therefore, our permit revenue increases naturally. The fixed fees, such as Sewage System Permit Fees, must be increased independently.

Implementing new fees that address the additional draw on staff time over and above the regular course of a construction project will help keep other departmental fees from increasing.

We have identified what increases will have the most impact on delivering a balanced budget and are only adjusting those fees at this time.

Financial Impact:

Increased revenue to maintain a fully balanced departmental budget.

Strategic Plan Applicability:

To ensure and enable an effective and efficient municipal administration.

Report Approval Details

Document Title:	2024 Permit Fees.docx
Attachments:	- 2024 Permit Fee Schedule.docx
Final Approval Date:	Dec 14, 2023

This report and all of its attachments were approved and signed as outlined below:

Martina Chait-Hartwig

Elana Arthurs