

DATE: February 14, 2022

REPORT NO: PD-22-2022

SUBJECT: **Recommendation Report - 2022 Building Fees By-law Review in accordance with Comprehensive User Fee Report**

CONTACT: Brian Treble, Director of Planning & Building
John Schonewille, Chief Building Official

OVERVIEW:

- On January 17, 2022, the Finance Department presented report T-03-2022 to Administration/Finance/Fire Committee, presenting a comprehensive user fee review as completed by BMA Management Consulting Inc.
- The report and resolution were endorsed by Committee and Council and each department is responsible to implement the new proposed fee schedule.
- In 2021, the Building Department internally undertook a significant review and cost increase as a result of recent budget deficits that had occurred.
- This comprehensive review now adjusts some fees even further to reflect actual cost per permit review.
- The Building Code Act allows a municipality to charge a fee, as required, to cover the anticipated costs of processing a building permit.
- Further, and more extensive than the Planning Act fee schedule, the Building Code Act requires a fee by-law to charge permit fees such that the Building Department can operate self-sufficiently and not be a burden to the Township tax levy.
- It is acknowledged that from time to time due to construction activity, the Building Department costs could exceed permit revenues or permit revenues could exceed operating costs in a given year, but overall, revenues are required to cover all of the departmental costs. In years when permit revenues exceed operating costs the surplus funds can be directed to a reserve account to be drawn on, to balance the departmental budget in slower or more depressed economic times. Permit fees should be adjusted to reflect actual costs.
- The Building Fees By-law was amended in 2021 by 15%, but still resulted in some of the lowest fees in the Niagara Region. The end of the budget cycle in the last three years have now required that the Building budget be balanced by drawing from the reserve to balance the budget. Therefore, it is appropriate to impose a building permit fee increase to cover direct and indirect operating costs and now is the right time to ensure fees align to actual costs.
- In order to amend the Building Fee By-law, a Public Meeting must be held.
- This report is written to obtain authority to hold a Public Meeting and to present the proposed building fees as outlined in the Comprehensive User Fee Report as they propose some changes to Building Fees.

RECOMMENDATION:

1. That, Report PD-22-2022 regarding “Recommendation Report - 2022 Building Fees By-law Review in accordance with Comprehensive User Fee Report” dated February 14th, 2022, be RECEIVED, and;
2. That, a Public Meeting be held for the purposes of presenting the new Building fees as found in the Comprehensive User Fees Report to the Public as the new building fees to be implemented at a future date in 2022.

ALIGNMENT TO STRATEGIC PLAN:

Theme ##6

- Efficient, fiscally responsible operations

BACKGROUND:

Building Permit Fees are permitted to be charged through the Ontario Building Code Act to cover all anticipated reasonable operational costs.

Building Department fees initially had not been increased as part of an operational department review since 2016. At that time, an increase of two percent (2%) was approved. A 2021 Building Fee Review resulted in an across the Board 15% fee increase. The Building Permit Fee By-law is intended to cover the direct and indirect cost of all operations of the Building Department as a self-sufficient unit and includes the concept of building a reserve account for surplus revenues (from the high construction activity years) to cover the costs of operating the building department in the slower years as well.

CURRENT SITUATION:

Currently, operational costs are exceeding permit revenues and the reserve account is being depleted as we have now completed a third consecutive year of drawing on reserves to cover costs to both modernize the building department and to maintain the day to day operations of the department.

Further, as reserves deplete, there will be insufficient funds to cover the department’s operating costs in years where a slower volume of construction activity revenues may be received resulting in the tax levy covering Building permit activity. The last time that a substantial surplus was added to the reserve account dates back to the days of the NRWC Wind Turbine project.

In 2021, the department had hit the point where a significant fee increase was warranted. An across the board 15% fee increase was approved. This Comprehensive User Fee Review refines that fee by-law and tweaks the areas where fees still did not properly reflect all costs incurred.

This user fee review and building fee by-law adjustment should help the department cover current and future anticipated departmental operational costs for a self-funded department without reliance on other forms of funding. Staff are proposing that fees be adjusted as per the Treasury Report (T-03-2022) with various scales of fee adjustment

based on the BMA Comprehensive User Fee Review. By doing this, as a comparison, fees will now be generally in line with the fees at the middle fee range per application type when compared to fee by-laws from across the Niagara Region.

Staff propose to hold a Public Meeting at a future Planning/Building/Environmental Committee meeting to allow for the public to be informed of our proposed fee increases.

FINANCIAL IMPLICATIONS:

By about June of 2022, staff will be able to prepare a report that officially outlines the Building Department operations and the status of the reserve account. It is clear already, however, similar to the last two years, that the report will show that the Department had to draw from the reserve in order to balance the Department budget at the end of 2021. Therefore, an additional adjustment to Building fees is warranted.

INTER-DEPARTMENTAL COMMENTS:

Building staff, Planning staff, along with Treasury staff and the CAO have discussed this report and the proposed fee increases. All are in agreement, including Township Chief Building Official, with the need to adjust the schedule of fees in accordance with the Comprehensive User Fee Review report.

CONCLUSION:

Staff propose that a Public Meeting be held to consider building permit fee adjustments as outlined in the Comprehensive User Fee Review report, prior to the passage of a new Building Fee by-law.

ATTACHMENTS:

1. Draft Notice of Public Meeting
2. BMA Consulting – Comprehensive User Fee Report – Building Permit Fee Section

Prepared & Submitted by:



Brian Treble
Director of Planning & Building

Approved by:



Bev Hendry
CAO



John Schonewille
Chief Building Official



NOTICE OF PUBLIC HEARING

Proposed Building Fee Adjustments Monday March 21, 2022 @ 6:30pm

The Township of West Lincoln will hold a public meeting on Monday, March 21st, 2022 at 6:30 p.m., via Zoom, regarding proposed fee adjustments to the Building Fees, as found in the Building Fees By-law, as per the Comprehensive User Fee Review. This Public Meeting is scheduled to satisfy the requirements of the Ontario Building Code Act S.O.1992., c.23, as amended.

A draft of the proposed changes to the Building Fees, will be made available to the public as of February 21st, 2022. This notice and proposed fees, will also be available on the Township of West Lincoln website at www.westlincoln.ca.

Interested persons may express their comments at the Public Meeting (via Zoom) or in writing. Written requests to speak at the public meeting must include the person's name, address, telephone number, information about who they are representing (if applicable) and a brief statement outlining their position with respect to the proposed adjustment to the Building fees.

Please note, this Public Meeting will be held as part of the Planning, Building, and Environmental Committee Meeting that will be held on **Monday, March 21st 2022**, starting at 6:30pm. Please contact the Deputy Clerk, Jessica Dyson (jdyson@westlincoln.ca or 905-957-3346, ext. 6720), prior to **March 18th, 2022 at 12pm** to be provided with a link, if you wish to speak to this matter.

www.westlincoln.ca

For further information, please contact:
John Schonewille, Chief Building Official @ 905-957-5135, or
Brian Treble, Director of Planning and Building @ 905-957-5138

Township of West Lincoln—Comprehensive Study of Fees & Charges

BUILDING PERMIT FEES



Township of West Lincoln—Comprehensive Study of Fees & Charges

Introduction—Building Permit Fees

The Building Department is responsible for enforcing of building codes relative to new construction, additions, remodeling and interior renovation of residential, commercial, and industrial property; including accepting and processing building permit applications, reviewing plans, and conducting inspections. Also, the Building Department is responsible for condemnation and demolition of unsafe structures.

In 2021, BMA was engaged by the Township of West Lincoln to undertake an extensive review of its building permit fees, to establish the full cost of providing services and to calculate fees, as permitted under the legislation.

The last comprehensive review of building permit fees was undertaken in 2011. Since that time, an update was made to the fees in 2016. As processes and complexity of permits have changed, it is an appropriate time to undertake a comprehensive analysis of the building permit fees. In June 2021, fee increases were implemented to recognize inflationary increases not made in previous years. This was an interim step until the Township completed the comprehensive fee review.

The building permit fee review included an analysis of the cost of services including direct and indirect costs and the development of process maps for building permit applications, including all administrative activities, plans examination and inspections services. The scope of the undertaking consists of ensuring that the fees ultimately established are in compliance with the legislation and that they are fair, reasonable and proportionate to the actual cost of the service. In addition, a comparison of fees to other Niagara municipalities was undertaken to ensure that the recommended fees are competitive and to provide financial context related to fee adjustments. Recommendations have been included with respect to the most appropriate fee structure. In addition, a review of the existing Building Permit Stabilization Reserve Fund policy has been included along with a benchmarking of fees for all key building permits.



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Legislative and Regulatory Requirements—Building Code Act

The Ontario Building Code (OBC) is the provincial regulation that sets the uniform and minimum standards for buildings and structures. The main purpose of the Building Code is to protect public health, safety and general welfare as it relates to the construction and occupancy of building and structures. To pay for the costs of providing *Building Code* services, municipalities are permitted to charge fees for processing building permit applications. The *Building Code Act (the Act)* requires that permit fees not exceed “the anticipated reasonable costs to administer and enforce the *Building Code* during building construction.” However, the Code does not offer specific requirements or guidelines for a municipality to calculate their costs. Therefore it is up to the discretion of each municipality to determine their own method of calculating the costs using industry standards. In addition, municipalities are required to prepare annual reports that record the amount of fees received and the costs incurred in administering the process.

Ontario Regulation 305/03 is the associated regulation arising from the *Building Code Statute Law Amendment Act, 2002*. The regulation provides details on the contents of the annual report and the public requirements for the imposition or change in fees. It specifies that annual reports must record both the direct and indirect costs of reviewing applications and conducting building inspections. In this regard:

- Direct costs include the costs of reviewing building permit applications and inspecting buildings; and,
- Indirect costs include the support and overhead costs of administering and enforcing the process.

Annual reports must also include the balance of any building permit reserve funds that municipalities may have. The regulation also sets out the requirements for a public meeting process that must accompany the setting of fees, including:

- Holding at least one public meeting;
- Providing 21 days notice of the public meeting; and,
- Providing in the notice an estimate of the costs of providing *Building Code* services, the amount of new fees, and the rationale for the new fees.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Process—Analysis of Building Permit Fees

The work accomplished in the analysis of the proposed fees for service involved the following key steps:

- ***Departmental Staff Interviews:*** Interviews were held with the Building staff to review the work processes involved in each fee recoverable service and the development of work process templates for staff to complete.
- ***Process Mapping:*** Process maps were developed based on information provided by staff. Utilization of time estimates is a reasonable and defensible approach, especially since these estimates were developed by experienced staff members who understand service levels and processes unique to the Township of West Lincoln. The following process was used to develop the process maps:
 - Estimates were prepared based on average times for providing service. Extremely difficult or abnormally simple projects are excluded from the analysis
 - Estimates provided by staff were reviewed and approved by the Director of Planning and Building.
- ***Fully Burdened Hourly Rate (FBHR):*** The average fully burdened hourly productive rates, as described earlier in the report were calculated for staff involved in the review process (deducting vacation time, holidays, average sick time, training from total hours). These hourly rates were used to calculate fees.
- ***Financial Model:*** A financial model was developed to calculate fees.
- ***Operating Costs:*** Data was collected based on the 2021 Operating Budget to identify the direct and indirect costs. All direct and indirect costs were entered into a model to calculate fees.

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- ***Fee Calculation:*** The full cost of providing service for each application type was established by applying an activity based costing methodology.
- ***Fee Comparison:*** A benchmarking analysis of the proposed fees in other Niagara municipalities was undertaken to ensure that the cost of service in West Lincoln continues to be competitive and to further test for reasonableness. However, the following issues should be noted regarding the use of comparative analysis in setting fees:
 - A comparative analysis does not provide adequate or objective information of the relationship of a municipality's costs to its fees.
 - Each municipality and its fees are different, with different objectives in terms of full cost recovery of the services provided.
 - The same "fee" with the same name may include more or less steps or sub-activities. Municipalities provide varying levels of service and have varying levels of costs associated with providing services such as staffing levels, salary levels, the inclusion of indirect overhead costs, etc.
 - Because each municipality is different, it is recommended that the information contained in the comparative analysis of fees be used as a secondary decision-making tool, rather than a tool for establishing an acceptable price point for services.
 - It should also be noted that municipalities are in different stages of fee updates. For example, Port Colborne is commencing a fee review for 2022 and their fees tend to be low. Others such as Grimsby and Thorold updated their fees within the last three years and typically have higher fees.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Reserve Fund

The Building Permit Reserve Fund manages the risk associated with an economic downturn; spreads the impact of market fluctuations across an economic cycle; avoids fluctuations in fees and is available to fund one-time capital requirements. Without reserve funds, a sustained shortfall would need to be funded from fee increases or property taxes. Legislation requires this Reserve Fund to be used only for expenditures related to Building operations (segregated fund) and cannot be used to fund tax supported programs and services.

- Optimally, a matching of revenues and expenditures, on an annual basis, ensures that the cost of service is fully recovered from the associated fee revenues but, to balance the revenues and expenditures on an annual basis is difficult without the availability of reserves.
- Given that building operations do not have sufficient elasticity to adjust operating expenditures to immediately coincide with the fluctuations in building activity, a best practice of municipalities is to establish a dedicated Building Permit Reserve Fund. This is in fact in place in the Township for the past 10+ years and has helped to address peaks and valleys in activity levels and associated revenues.

Building Reserve Fund						
Statement	2015	2016	2017	2018	2019	2020
Total Fees (Revenues)	\$878,593	\$472,604	\$487,350	\$505,755	\$258,612	\$346,493
Direct Costs						
Staffing Costs	\$194,377	\$190,983	\$193,351	\$218,170	\$232,285	\$160,988
Office Expenses	\$61,072	\$84,998	\$57,844	\$102,313	\$82,986	\$113,224
Capital Expenses		\$14,343	\$55,604		\$50,563	\$118,399
Total Direct Costs	\$255,449	\$290,324	\$306,799	\$320,483	\$365,834	\$392,611
Indirect Costs	\$33,800	\$90,700	\$91,800	\$100,900	\$147,400	\$165,300
Total Direct and Indirect Costs	\$289,249	\$381,024	\$398,599	\$421,383	\$513,234	\$557,911
Revenues Over (Above) Costs	\$589,344	\$91,580	\$88,751	\$84,372	(\$254,622)	(\$211,418)
Statement of Reserves						
Opening Balance	\$373,415	\$962,759	\$1,062,305	\$1,161,263	\$1,266,005	\$1,034,804
Transfer to (from) Reserves	\$589,344	\$91,580	\$88,751	\$84,372	(\$254,622)	(\$211,418)
Interest Earned on the Reserve	\$0	\$7,966	\$10,207	\$20,370	\$23,421	\$10,406
Closing Balance	\$962,759	\$1,062,305	\$1,161,263	\$1,266,005	\$1,034,804	\$833,792

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- The table on the previous page reflects the balance in the Building Permit Reserve Fund from 2015-2020 which is reported to Council annually. Without Reserve Funds, future changes in activity would need to be funded from changes to the fees annually or the property tax base which is not recommended.
- While there is a responsibility on behalf of the Building Department to demonstrate their willingness to reduce operating costs during economic downturns, any short-term decisions to reduce the staffing levels must also consider the costs/benefits in the mid to longer term when development rebounds. Without a dedicated Reserve Fund, economic downturns could not only result in budgetary pressures but also the loss of competent, difficult-to-replace, qualified staff. As shown in the table, in 2019-2020, the expenditures exceeded the revenues, requiring a draw of \$466,040 on the Reserve Fund.
- Year end 2020 reflects a balance of \$833,792.
- As stated in the 2011 Building Permit Fee review and continues to be the case, municipalities across Ontario have typically established a ceiling for the Building Permit Reserve Fund balance to be 100%-300% of the operating expenditures. This is required to sustain the municipality through economic downturns which can last for several years.
- A recommendation was made in the 2011 review for the Township to establish a minimum balance of 150% of operating expenditures for the Building Permit Reserve Fund.
 - Over the past 5 years, the Reserve Fund to Operating Expenditure Ratio has ranged from a high of 333% in 2015 to a low of 149% in 2020.
 - It is recommended that the minimum Reserve Fund target of 150% of operating expenditures continue to be maintained.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Analysis of the Cost of Service—Building

The following table reflects the 2021 budgeted cost of services related to building permit fee processing, plans review and inspections.

Building Expenditures	Budget 2021	% of Total
Salaries & wages	\$ 253,350	41%
Benefits	\$ 83,850	13%
Misc Expenses	\$ 57,320	9%
Software Fees	\$ 29,890	5%
Consulting Fees	\$ 22,850	4%
Program Support	\$ 177,400	28%
Total	\$ 624,660	100%

- The base budget for 2021 related to the provision of Building Standards services is \$624,660. The Township of West Lincoln budget includes all direct, indirect and corporate cost allocations, in accordance with leading practices.
- As illustrated above, 54% of the budget is related to salaries, wages and benefits.
- The Township intends to recover 100% of program support costs from Building operations as Building Services is operated as an Enterprise model whereby the cost of service is fully recovered from building permit fees.
- The analysis of building permit fees relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata a share of departmental costs, including indirect costs for Program Support Services. The analysis found that current services are being provided below the cost of providing them.
- The tables on the next several pages are the results of the cost recovery model for the Building Department. The schedules also show the Township's current fee being charged for each permit type for reference in relation to the calculated fees.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

NEW CONSTRUCTION AND ADDITIONS		
Group A – Assembly Occupancies		
Class of Permit	Existing Fee	Calculated Fee
school, church, restaurant over 30 seats, library, theatre, educational or recreational facility and occupancies of a similar nature - m2	\$16.48	\$19.24
outdoor public swimming pool	\$355 flat	\$380 flat
Group B – Institutional Occupancies		
Class of Permit	Existing Fee	Calculated Fee
hospital, nursing home, reformatory, prison and occupancies of a similar nature - m2	\$18.42	\$21.09
Group C – Residential Occupancies		
Class of Permit	Existing Fee	Calculated Fee
single detached, semi-detached, duplex dwellings - m2	\$13.71	\$14.69
triplex, fourplex, townhouse dwellings - m2	\$13.71	\$14.69
apartment building - m2	\$13.71	\$14.69
hotel / motel - m2	\$11.66	\$12.50
repeat plans for single detached, etc - m2	\$13.71	\$12.49
garage, carport, deck, porch, shed (accessory building) - m2	\$3.45	\$3.70
finish basement in dwelling unit - m2	\$6.85	\$7.35
sunroom / solarium (not heated) - m2	\$7.61	\$8.08
swimming pool - seasonal	\$75 flat	\$100 flat
swimming pool - above ground	\$100 flat	\$150 flat
swimming pool - in ground	\$125 flat	\$200 flat
Group D – Business and Personal Service Occupancies		
Class of Permit	Existing Fee	Calculated Fee
office or medical building, financial institution and occupancies of a similar nature – FINISHED - m2	\$15.32	\$18.78
office or medical building, financial institution and occupancies of a similar nature – ARCHITECTURAL SHELL - m2	\$12.26	\$15.39
Group E – Mercantile Occupancies		
Class of Permit	Existing Fee	Calculated Fee
low rise retail store, strip plaza, small restaurant or 30 seats or less and occupancies of a similar nature – FINISHED - m2	\$13.35	\$17.29
low rise retail store, strip plaza, small restaurant or 30 seats or less and occupancies of a similar nature – ARCHITECTURAL SHELL - m2	\$10.68	\$13.83

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Group F – Industrial Occupancies		
Class of Permit	Existing Fee	Calculated Fee
factory, plant, warehouse, industrial building and occupancies of a similar nature - m2	\$9.95	\$12.50
parking garage - m2	\$10.94	\$13.75
service station and/or car wash - m2	\$6.45	\$8.78
canopies including gas station canopies and those intended for the parking and loading or unloading of vehicles - m2	\$3.45	\$5.60
solar collectors for swimming pools	\$150 flat	\$191 flat
Private Sewage Systems		
Class of Permit	Existing Fee	Calculated Fee
new application and/or replacement of existing CLASS IV system	\$900 flat + \$200 additional for tertiary fees	\$1,300 flat
minor sewage system repair or septic tank replacement	\$450 flat	\$600 flat
CLASS V installation	\$400 flat	\$600 flat
building addition / alteration	\$275 flat	\$350 flat
comment on consent applications	\$275 flat	\$350 flat
subdivision for each lot	\$275 flat	\$350 flat
Investigate complaint/site visit	\$275 flat	\$350 flat
Follow-up/site visit (non-routine inspections)	\$275 flat	\$350 flat
Analysis/report	\$275 flat	\$350 flat
Farm Buildings		
Class of Permit	Existing Fee	Calculated Fee
Greenhouse - m2	\$0.95	\$1.08
barn or agricultural building other than a greenhouse - m2	\$2.30	\$2.53

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Mobile / Portable Buildings		
Class of Permit	Existing Fee	Calculated Fee
trailer (construction trailer / sea container)	\$230 flat	\$275 flat
relocatable building / portable (support structure included)	\$550 flat	\$409 flat
CSA certified mobile home (foundation not included)	\$288 flat	\$302 flat
uncertified mobile home (foundation included) - m2	\$7.18	\$9.16
mobile home foundation - m2	\$2.06	\$3.70
Tents and Air Supported Structures		
Class of Permit	Existing Fee	Calculated Fee
air supported structure, tent, temporary fabric structure (use aggregate area for multiple tents) – under 250 m²	\$150 flat	\$235 flat
air supported structure, tent, temporary fabric structure (use aggregate area for multiple tents) – 250 m² or more	\$4.22	\$235 flat plus \$2.08 per sq.m. over 250 sq.m.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Signs		
Class of Permit	Existing Fee	Calculated Fee
Ground sign - less than 2.5m ² [26.91 ft ²]	\$150 flat	\$150 flat
Ground sign - 2.5 m ² [26.91 ft ²] to 10 m ² [107.64 ft ²]	\$300 flat	\$300 flat
Ground sign - 10 m ² [107.64 ft ²] or greater	\$450 flat	\$450 flat
Portable ground sign (for each 30 day period or portion thereof)	\$150 flat	\$150 flat
Pole sign - less than 2.5 m ² [26.91 ft ²]	\$150 flat	\$150 flat
Pole sign - 2.5 m ² [26.91 ft ²] to 10 m ² [107.64 ft ²]	\$300 flat	\$300 flat
Pole sign - 10 m ² [107.64 ft ²] or greater	\$450 flat	\$450 flat
Roof sign - less than 2.5 m ² [26.91 ft ²]	\$150 flat	\$150 flat
Roof sign - 2.5 m ² [26.91 ft ²] to 10 m ² [107.64 ft ²]	\$300 flat	\$300 flat
fascia / wall sign - less than 2.5m ² [26.91 ft ²]	\$150 flat	\$150 flat
fascia / wall sign - 2.5 m ² [26.91 ft ²] to 10 m ² [107.64 ft ²]	\$300 flat	\$300 flat
fascia / wall sign - 10 m ² [107.64 ft ²] or greater	\$450 flat	\$450 flat
Inflatable sign	\$150 flat	\$150 flat
Billboard	\$1,000 flat	\$1,000 flat
Permit renewal	\$150 flat	\$150 flat
Variance of sign regulations	\$750 flat	\$750 flat
Sign removal - less than 0.6 m ² [6.46 ft ²]	\$75 flat	\$75 flat
Sign removal - 0.6 m ² [6.46 ft ²] or greater	\$200 in addition to removal costs	\$200 in addition to removal costs
Storage fee for signs greater than 0.6 m ² [6.46 ft ²]	\$10/day	\$10/day
Designated Structures		
Class of Permit	Existing Fee	Calculated Fee
communication tower	\$345 flat	\$352 flat
retaining wall, pedestrian bridge, crane, runway		\$18.49/\$1,000 construction
satellite dish with structural pedestal anchored to solid concrete pier and or building structure	\$150 flat	\$18.49/\$1,000 construction
other designated structures as listed in Division A 1.3.1.1 of the Ontario Building Code	\$288 flat	\$288 flat

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Miscellaneous Works		
Class of Permit	Existing Fee	Calculated Fee
roof structure (replace, modify or alter structure)	\$430 flat	\$201 flat
racking system		\$18.49/\$1,000 construction
installation of drainage layer & weeping tile system	\$230 flat	\$230 flat
minor alterations and repairs (not requiring plans)	\$150 flat	\$168 flat
underpinning / shoring	\$150.00 / m	\$18.49/\$1,000 construction
temporary stages	\$316 flat	\$316 flat
demising wall / party wall installation	\$138 flat	\$174 flat
fireplace / woodstove	\$150 flat	\$150 flat
Fire Systems		
Class of Permit	Existing Fee	Calculated Fee
electromagnetic Locks		\$285 flat
commercial kitchen hood & fire suppression system	\$288 flat	\$352 flat
fire alarm system upgrades / installations	\$460 flat	\$468 flat
sprinkler system upgrades / installations	\$460 flat	\$468 flat
standpipe system upgrades / installations	\$460 flat	\$468 flat
Energy Projects		
Class of Permit	Existing Fee	Calculated Fee
industrial wind turbines subject to Renewable Energy Approval in accordance with the Green Energy and Green Economy Act	\$11,500 flat	\$12,325 flat
Solar panels		\$302 flat
solar collector – swimming pool	\$150 flat	\$150 flat
solar collector – ground mounted	\$402 flat	\$402 flat
solar collector – roof mounted	\$288 flat	\$288 flat

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

ALTERATIONS AND REPAIRS		
Group A – Assembly Occupancies		
Class of Permit	Existing Fee	Calculated Fee
including plumbing AND mechanical (60% of full rate) - m2	\$9.89	\$11.55
including plumbing OR mechanical (55% of full rate) - m2	\$9.06	\$10.58
excluding plumbing AND mechanical (50% of full rate) - m2	\$8.25	\$9.62
Group B – Institutional Occupancies		
Class of Permit	Existing Fee	Calculated Fee
including plumbing AND mechanical (60% of full rate) - m2	\$11.05	\$12.65
including plumbing OR mechanical (55% of full rate) - m2	\$10.13	\$11.60
excluding plumbing AND mechanical (50% of full rate) - m2	\$9.21	\$10.55
Group C – Residential Occupancies		
Class of Permit	Existing Fee	Calculated Fee
including plumbing AND mechanical (60% of full rate) - m2	\$8.22	\$8.82
including plumbing OR mechanical (55% of full rate) - m2	\$7.54	\$8.08
excluding plumbing AND mechanical (50% of full rate) - m2	\$6.85	\$7.35
foundation only - m2	\$3.43	\$3.70
Group D – Business and Personal Service Occupancies		
Class of Permit	Existing Fee	Calculated Fee
including plumbing AND mechanical (60% of full rate) - m2	\$9.22	\$11.27
including plumbing OR mechanical (55% of full rate) - m2	\$8.45	\$10.33
excluding plumbing AND mechanical (50% of full rate) - m2	\$7.69	\$9.39
Group E – Mercantile Occupancies		
Class of Permit	Existing Fee	Calculated Fee
including plumbing AND mechanical (60% of full rate) - m2	\$8.02	\$10.37
including plumbing OR mechanical (55% of full rate) - m2	\$7.35	\$9.51
excluding plumbing AND mechanical (50% of full rate) - m2	\$6.68	\$8.64

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Group F – Industrial Occupancies		
Class of Permit	Existing Fee	Calculated Fee
including plumbing AND mechanical (60% of full rate) - m2	\$5.97	\$7.50
including plumbing OR mechanical (55% of full rate) - m2	\$5.45	\$6.88
excluding plumbing AND mechanical (50% of full rate) - m2	\$4.98	\$6.25
Farm Alterations		
Class of Permit	Existing Fee	Calculated Fee
Farm Buildings up to 116 sq m gross floor area - per building - m2	\$5.97	\$6.40
Farm Buildings over 116 sq m gross floor area - m2	\$5.45	\$5.84
DEMOLITION		
Class of Permit	Existing Fee	Calculated Fee
buildings less than 100m² in gross floor area	\$150 flat	\$168 flat
all other demolitions	\$0.77	\$0.83
PLUMBING AND SEWER		
Construction work related to plumbing and sewer installation when conducted as a component of other construction covered by a permit shall be included in the permit fee charged for that construction.		
Where plumbing or sewer works are done as standalone projects the following fees shall be applicable:		
Single, Semi-Detached, Duplex, Triplex, Fourplex, and Row House		
Class of Permit	Existing Fee	Proposed Fee
first six (6) fixtures	\$150 flat	\$218 flat
each additional fixture	\$9.20 per fixture	\$9.86 per fixtures
All Other Buildings		
Class of Permit	Existing Fee	Proposed Fee
first five (5) fixtures	\$230 flat	\$285 flat
each additional fixture	\$9.20 per fixture	\$9.86 per fixtures

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Sewer and Water Main Installations		
The fee shown below shall include all buried pipe on private property outside the building		
Class of Permit	Existing Fee	Proposed Fee
first fifteen (15) metres	\$150 flat	\$168 flat
each additional fifteen (15) metres	\$40.25 flat	\$43.14 flat
Specialized Plumbing Fixtures and Appurtenances		
The fee shown below shall include all plumbing contained inside the building		
Class of Permit	Existing Fee	Proposed Fee
back flow preventer installation (water line)	\$150 flat	\$168 flat
back water valve (sewer)	\$150 flat	\$168 flat
sump pump installation (weeping tile installation included)	\$288 flat	\$352 flat
grease / oil interceptor installation	\$288 flat	\$352 flat
OTHER FEES		
Administration		
Class of Permit	Existing Fee	Proposed Fee
Minimum Permit Fee	\$150 flat	\$168 flat
transfer of permit	\$150 flat	\$168 flat
moving a building (all alterations & repairs subject to applicable charges as stipulated above)	\$150 flat	\$168 flat
deferral of permit revocation (per instance)	\$150 flat	\$168 flat
limiting distance agreement (registered on title)	\$1,150 flat	\$1,263 flat
research request – Building Division Records search	\$80.50 / hour	\$107 / hour
911 house number – sign, post and installation (rural lots)	\$150 flat	\$168 flat
911 house number – replacement of sign only	\$69 flat	\$72 flat
Permits		
Class of Permit	Existing Fee	Proposed Fee
change of use (under 400m ²)	\$150 flat	\$168 flat
change of use (400m ² or more) - m2	\$0.87	\$0.93
change of use (no construction required)	\$86.50 flat	\$89.96 flat
partial occupancy permit for unfinished buildings	\$150 flat	\$187 flat

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

Inspections		
Class of Permit	Existing Fee	Proposed Fee
non routine inspection	\$86.25 / hour	\$134 / hour
illegal grow operation – general inspection	\$719	\$748
illegal grow operation – occupancy inspection	\$863	\$898
off hours inspection	\$143.75 / hour	\$201 / hour
unprepared for inspection	\$86.25 flat	\$134 flat
Plans Examination		
Class of Permit	Existing Fee	Proposed Fee
stock plans examination (model plans reviewed without building permit application)	\$402.50 flat	\$589.45 flat
off hours plans examination requests (min. 4 hours)	\$143.75 per	\$201 / hour
review of alternative solution (min. 4 hours)	\$143.75 per	\$168 / hour
secondary plans examination	\$86.25 per hour	\$168 / hour
review of revisions / amendments to permits	\$115	\$168
engineer review as determined by Chief Building Official	actual cost	actual cost plus 10% admin costs
CONDITIONAL / PARTIAL PERMITS		
Class of Permit	Existing Percentage of	Proposed Percentage of
conditional building permit agreement, in addition to all applicable building permit fees – <i>the conditional building permit fee shall be a nonrefundable fee</i>	\$862.50 flat	\$898 flat
Building Foundation – complete to grade including all underground services	15%	15%
Completed Structural Shell – complete exterior shell without any interior finishes	55%	55%
Completed Architectural Shell – complete exterior shell including interior finishes on exterior and structure walls	80%	80%
Complete Building – includes all tenant improvements and complete interior finishes	100%	100%

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

FEE BASED ON VALUE OF CONSTRUCTION		
Class of Permit	Existing Fee	Calculated Fee
for categories of construction not listed above (minimum permit fee identified in subsection 1.2 of this schedule shall apply)	\$17.25 per \$1,000 of valuated construction cost or portion thereof	\$18.49/\$1,000 construction
Class of Permit	Existing Fee	Calculated Fee
single, semi, duplex, triplex, fourplex, townhome	\$1,150 per dwelling unit	\$1,150 per dwelling unit
addition(s) to buildings described above where excavation is required	\$863 flat	\$863 flat
buildings accessory to the buildings above w/ construction value greater than \$3,500	\$575 flat	\$575 flat
construction projects other than those described above (Site Plan Agreement IS required)	\$1,438 flat	\$1,438 flat
construction projects other than those described above (Site Plan Agreement IS NOT required)	\$2,875 flat	\$2,875 flat
demolition project	\$863 flat	\$863 flat
moving a building	\$1,150 flat	\$1,150 flat

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fees Existing and Calculated

LOT GRADING		
The lot grading deposit is collected by the Township to provide securities to ensure compliance with the proposed lot grading plan submitted with the application.		
An applicant shall be required to submit the applicable deposit(s) as specified below for each permit application submitted.		
Class of Permit	Existing Fee	Proposed Fee
each dwelling on property in a plan of subdivision that HAS NOT already been assumed by the Township	\$1,150 per dwelling unit	\$1,150 per dwelling unit
each dwelling on property other than those listed above	\$1,725 per	\$1,725 per
Where an applicant requests an extension for the completion of lot grading to allow occupancy of the dwelling in a plan of subdivision or plan of condominium to occur prior to the completion of lot grading in accordance with Article 3.6.4 of the Building by-law, any such request shall be accompanied by the following applicable deposit(s) as specified below for each dwelling having occupancy being requested.		
Occupancy despite Incomplete Lot Grading Deposit		
Class of Permit	Existing Fee	Proposed Fee
single detached, semi-detached, duplex dwellings	\$4,000 per dwelling unit	\$4,000 per dwelling unit
triplex, fourplex, street townhouse dwellings	\$3,450 per dwelling unit	\$3,450 per dwelling unit
condominium townhouse dwellings	\$2,875 per dwelling unit	\$2,875 per dwelling unit
any dwelling type other than those listed above	\$2,300 per dwelling unit	\$2,300 per dwelling unit

Township of West Lincoln—Comprehensive Study of Fees & Charges

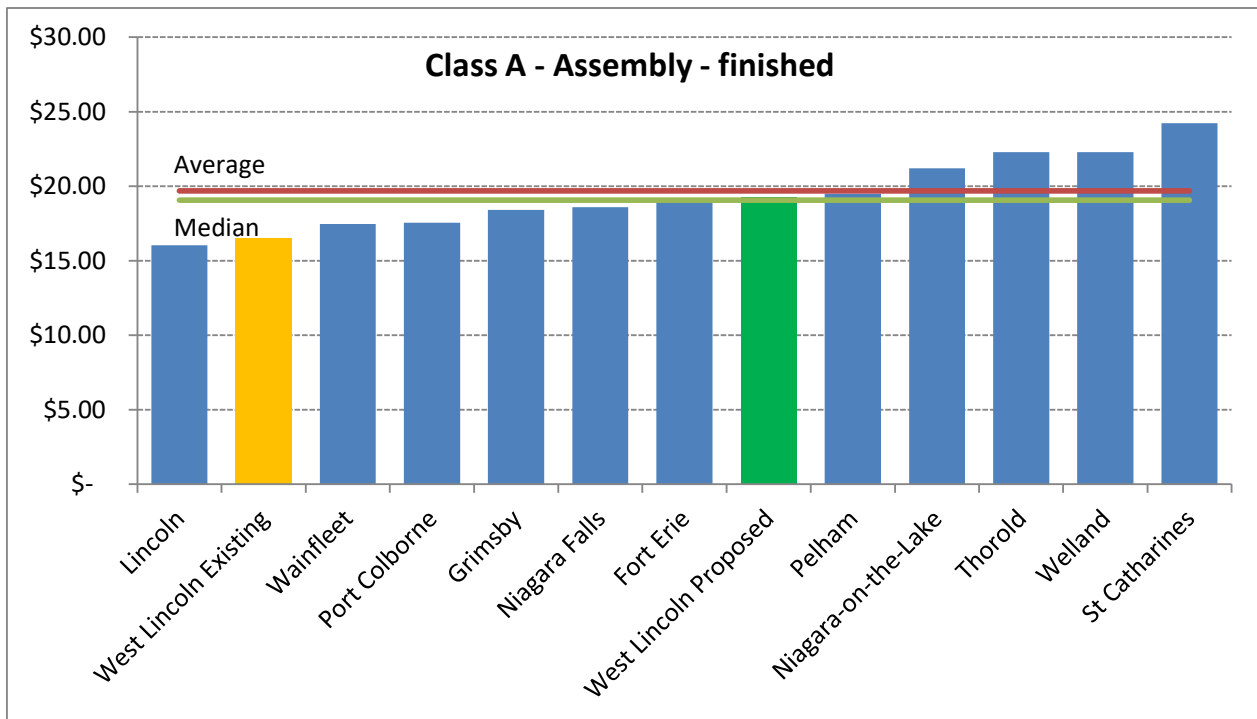
Building Permit Fees Existing and Calculated

CONDITIONAL PERMIT		
In the case of a conditional permit the applicant shall submit a conditional permit deposit which shall be calculated by the Chief Building Official to be a percentage of the value of construction as prescribed below.		
The conditional permit deposit shall be submitted as a condition of a Conditional Permit Agreement whereby the agreement shall establish a limitation to the extent of permitted construction.		
Where an applicant exceeds the limitations set out by the Conditional Permit Agreement, the Applicant shall be deemed to be in breach of the said agreement and as such the conditional permit deposit, in its entirety, shall be forfeited to the Township.		
Class of Permit	Existing Fee	Proposed Fee
conditional building permit deposit	10% of construction value (minimum	10% of construction value (minimum \$5,000)
REFUNDS		
FEES		
The fees that may be refunded shall be a percentage of the eligible applicable fees assessed by this Schedule of Fees, calculated by the Chief Building Official as follows:		
Class of Permit	Existing Refund	Proposed Refund
where the permit has been issued and field inspections have yet to be performed, subsequent to permit issuance	50%	50%
for each inspection conducted after issuance of the permit	5%	5%

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Peer Fee Municipal Comparison

The following provides a comparison of the Township’s current and proposed building permit fees for all Niagara municipalities.

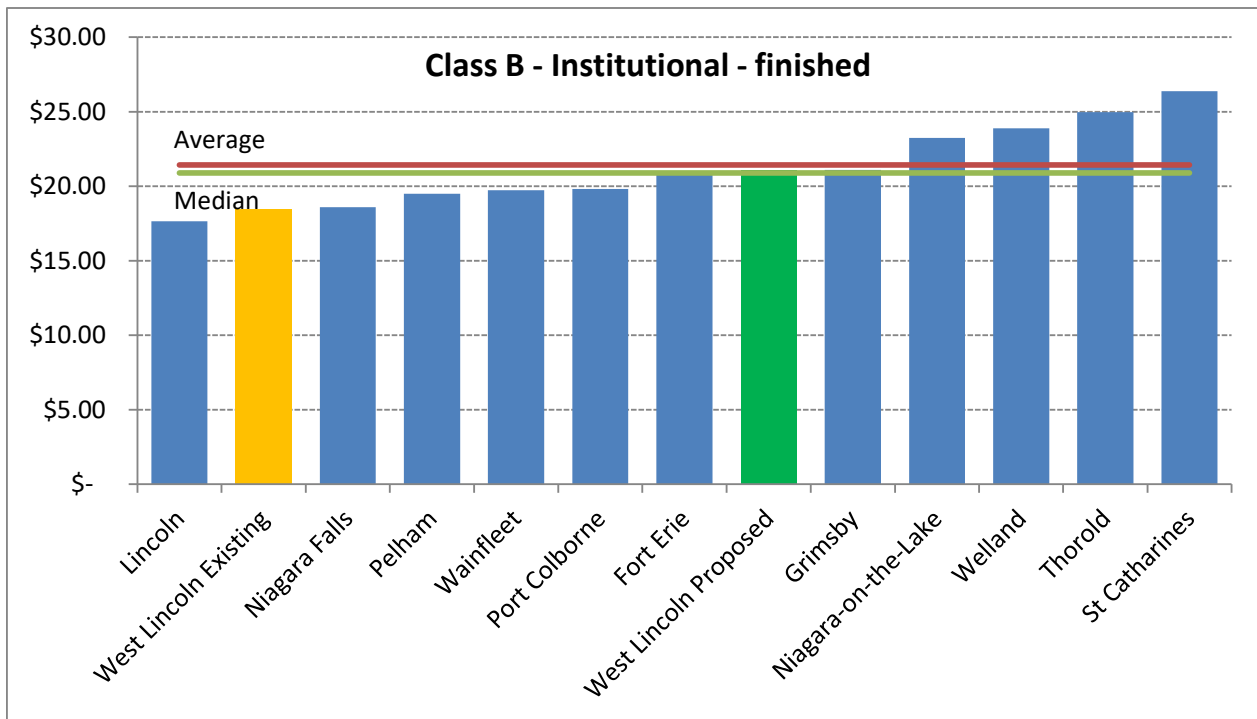


As shown above, the existing fee in West Lincoln is the second lowest in the survey. Based on process mapping and full cost of service principles, the calculated fee would increase by approximately 17% and would bring the proposed fee slightly below the survey average.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Peer Fee Municipal Comparison

The following provides a comparison of the Township’s current and proposed building permit fees for all Niagara municipalities.

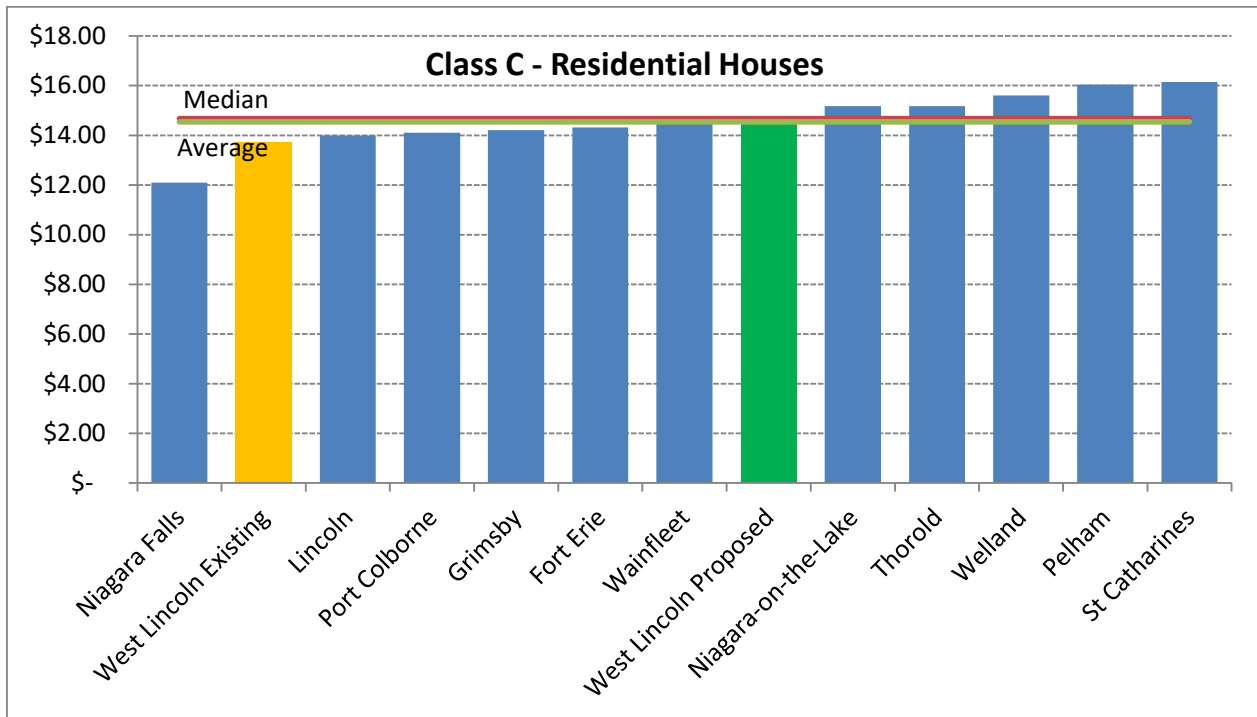


As shown above, the existing fee in West Lincoln is the second lowest in the survey. Based on process mapping and full cost of service principles, the calculated fee would increase by approximately 14% and would bring the proposed fee slightly below the survey average.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Peer Fee Municipal Comparison

The following provides a comparison of the Township’s current and proposed building permit fees for all Niagara municipalities.

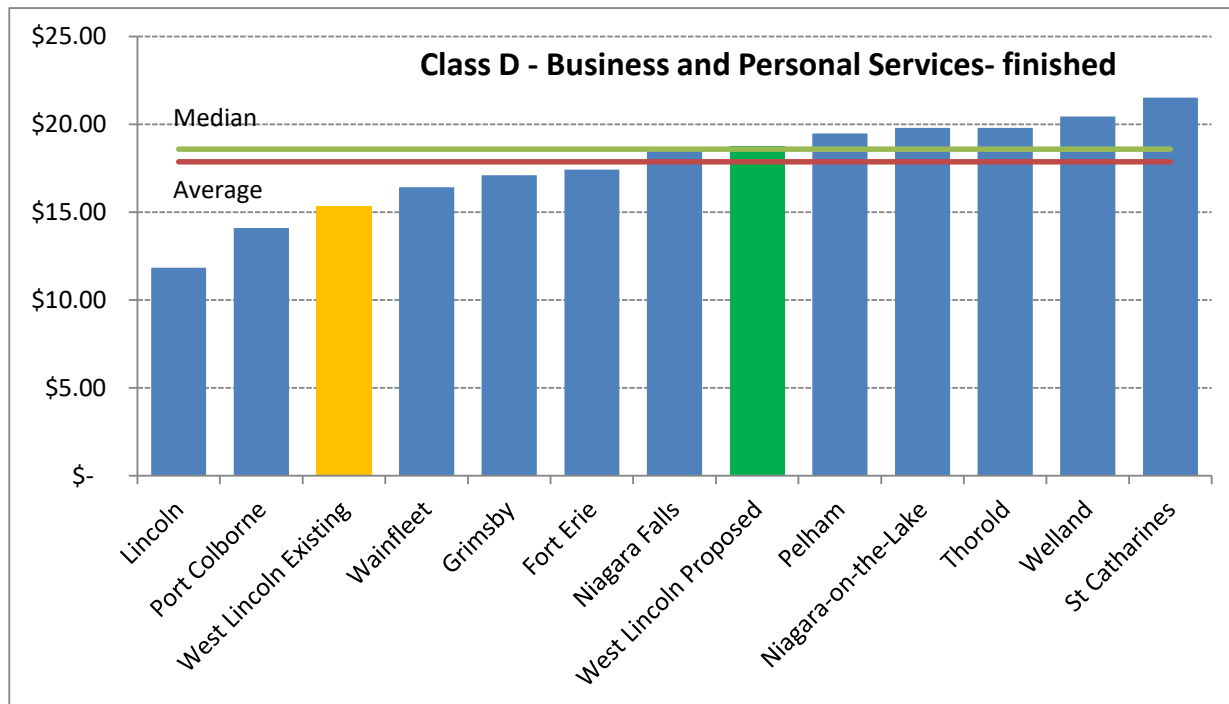


As shown above, the existing fee in West Lincoln is the second lowest in the survey. Based on process mapping and full cost of service principles, the calculated fee would increase by approximately 7% and would bring the proposed fee approximately at the survey average.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Peer Fee Municipal Comparison

The following provides a comparison of the Township’s current and proposed building permit fees for all Niagara municipalities.

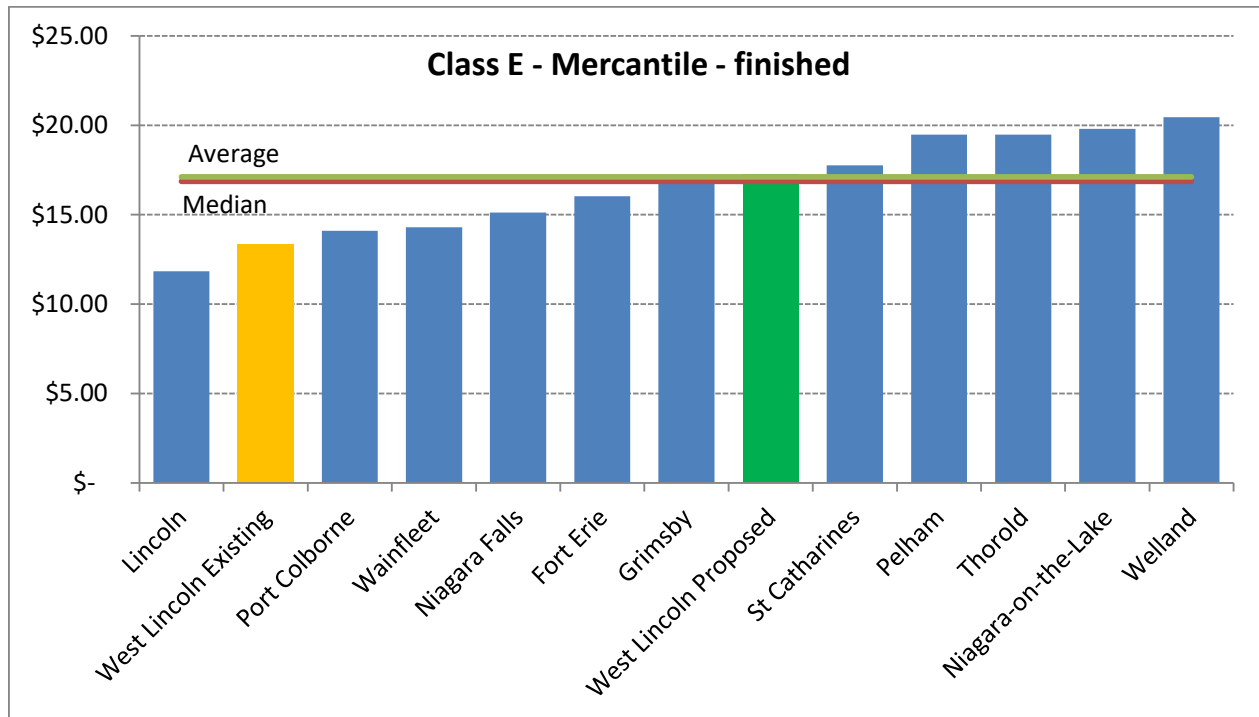


As shown above, the existing fee in West Lincoln is the third lowest in the survey. Based on process mapping and full cost of service principles, the calculated fee would increase by approximately 23% and would bring the proposed fee approximately at the survey average.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Peer Fee Municipal Comparison

The following provides a comparison of the Township’s current and proposed building permit fees for all Niagara municipalities.

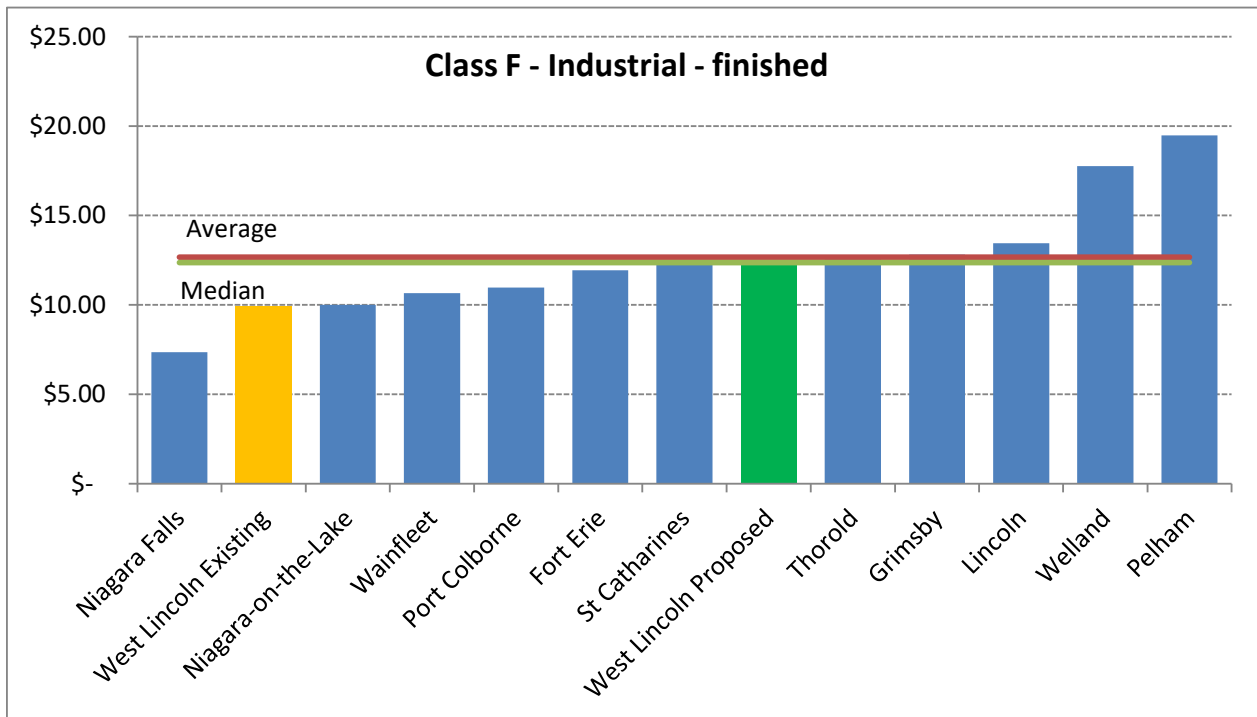


As shown above, the existing fee in West Lincoln is the second lowest in the survey. Based on process mapping and full cost of service principles, the calculated fee would increase by approximately 29% and would bring the proposed fee slightly above the survey average.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Peer Fee Municipal Comparison

The following provides a comparison of the Township’s current and proposed building permit fees for all Niagara municipalities.



As shown above, the existing fee in West Lincoln is the second lowest in the survey. Based on process mapping and full cost of service principles, the calculated fee would increase by approximately 26% and would bring the proposed fee slightly below the survey average.

Township of West Lincoln—Comprehensive Study of Fees & Charges

Building Permit Fee—Summary

The *Ontario Building Code (OBC)* is the provincial regulation that sets the uniform and minimum standards required to be adhered to in the construction of buildings and structures. The main purpose of the *Building Code* is to protect public health, safety and general welfare as it relates to the construction and occupancy of building and structures. Municipalities are responsible for the enforcement of the *OBC* through designated officials. Municipalities recover some/all of the cost of service through building permit fees from those who are the direct beneficiary of the service; the applicant.

The calculated building permit fees would continue to be competitive with other Niagara municipalities.

It is recommended that annual inflationary increases be applied to all building permit fees to ensure that fees keep pace with expenditure increases.