

**AUGUSTA TOWNSHIP
AGENDA
C.O.W./REGULAR MEETING
February 12, 2024 at 6:00 P.M.**

REGULAR COUNCIL – EXECUTIVE SESSION

REPORT NUMBER: 2024-014
REPORT TO COUNCIL: February 12, 2024
RE: Change of Fees to Building By-Law Permits
AUTHOR: Karen Morrell, CBO, CBCO

RECOMMENDATION:

THAT Council direct staff to provide the required 21 days' notice to increase building fees as outlined in this report and to schedule the required public meeting on March 11, 2024.

BACKGROUND:

The intention of this report is to update fees and provide the necessary public notice for the Building Department's proposed fee increase.

The Building By-Law has not been updated since 2019.

Updated fee structure for agricultural use buildings:

- Over 20,000 sq ft at .05 cents per sq ft
- under 20,000 sq ft will remain .25 cents per sq ft to a maximum of \$750.00.

New fees proposed include:

- Alternative Solution applications at \$1,000, plus third-party review costs
- Inspections required beyond 2 years from date of permit issuance - \$250
- Orders issued under the Building Code Act - \$100 each
- Tents greater than 646 sq ft - \$95
- Revocation of issued permit – 65% of total value of the permit, min of \$95

Proposed increased fees include:

- Re-inspections and re-plan examinations from \$85 to \$95
- Pool Permit applications from \$75 to \$95
- Woodstove Permit from \$75 to \$95
- Miscellaneous Inspections \$85 to \$95

As per the Ontario Building Code, Division C, Article 1.9.1.2., before passing a By-Law to introduce a change of fee imposed for permit applications or issuance, a principal authority shall hold at least one public meeting at which any person who attends has an

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opportunity to comment or make representations with respect to the matter for Council to take into consideration when passing the By-Law. A minimum of 21 days' notice of the public meeting must be given.

This report serves as notice and sets out the intentions of Council to hold the required public meeting at the Council meeting on March 11, 2024, at 6:00pm.

Building By-Law fees will be updated as part of the new Fees and Charges By-Law to be presented to council at the March 11, 2024, council meeting.

ANALYSIS:

An evaluation of our building services fee schedule states that agricultural construction is based on \$0.25 per square foot, up to a maximum fee of \$750.00. Recent large scale agricultural commercial buildings were only able to be charged the capped \$750 and did not cover the expenses and therefore depleted reserves to cover the cost of the build.

A review of our Permit Schedule shows our agricultural structures ranging in size from 1,248 square feet up to 7,480 square feet, from barns to cover all buildings to riding arenas. The intent of the maximum fee was to give our local farmers a break on permit fees and allow the local agricultural industry to flourish. This fee structure will not affect typical farm practice structures as they would rarely meet the 20,000 sq ft size.

To qualify for this maximum fee for buildings under 20,000 sq ft, the agricultural use building may be required to provide a valid Farm Business Registration (FBR) number registered through Agricorp, an agency of the Ontario Ministry of Agriculture and Rural Affairs (OMAFRA).

The lack of development fees encourages large commercial/agricultural businesses to build in our Township. This is promising for development and job creation.

Applications for agricultural structures greater than 20,000 sq ft involve a greater level of plans review and inspections, which are above the level of cost recovery.

Should these applications require a peer review or inspections by an outside organization the municipality will have to rely on reserves to cover costs over \$750.00.

The proposed addition to Building fees By-Law is for Alternative Solution applications and the Building By-Law shall allow the Township to charge for any peer review it may require accepting their application.

Alternative Solutions must be proposals that are equal to or greater than the minimum required performance level as prescribed by the Ontario Building Code in Division B, Acceptable Solution. Alternative Solution approvals should not be accepted lightly, as by accepting them the municipality is accepting the liability associated to the structural integrity of the design for the building.

Alternative Solutions are a specialty item that are very seldom used and would not impact the overall budgetary outcomes on a year-to-year basis.

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Staff recommends that if an applicant submits an appropriate Alternative Solution application that a third-party engineer be hired to review the application and provide an opinion of acceptance to support the CBO's decision to accept the alternative solution. The cost of the third-party engineer shall also be recoverable from the applicant as per the new Fees By-Law.

The fees for enforcing the Ontario Building Code and the Building Code Act are based on the direct and indirect costs of delivering services related to the administration and enforcement of the Code and the Act.

Below are the actual revenue vs expenses for the building department:

Building Revenues and Reserves

Year	2021	2022	2023
Revenues	(\$119,649)	(\$161,725)	(\$101,716)
Expenses	\$122,020	\$154,529	\$167,948
(Surplus)/Deficit	\$2,371	(\$7,196)	\$66,232
Reserve	Transfer Out	Transfer In	Transfer Out

Building department services are provided as a benefit to specific users and target rates should aim for 100% recovery. Currently operating costs are exceeding revenues.

It is recommended that the building department reserves be built to a reasonable amount to cover operating costs in slower years.

FINANCIAL CONSIDERATIONS:

The proposed increase in fees should help offset expenditure and revenue related to cost recovery for the delivery of building-related services.

CONSULTATION:

Other Municipal building staff
CAO
Clerk

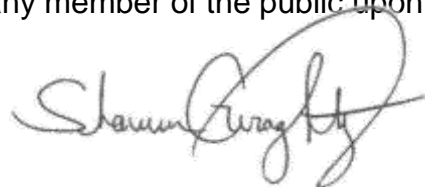
NEED FOR PUBLIC CONSULTATION:

Public Meeting March 11, 2024, at 6:00PM

This information will be made available at no cost to any member of the public upon request.



Karen Morrell, CBO



Shannon Geraghty, CAO