



SUBJECT: 2020 Rates and Fees

TO: Committee of the Whole

FROM: Finance Department

Report Number: F-33-19

Wards Affected: All

File Numbers: 435-03

Date to Committee: September 9, 2019

Date to Council: September 23, 2019

Recommendation:

Approve the 2020 Rates and Fees as outlined in Finance report F-33-19, effective January 1st, 2020 unless otherwise indicated and;

Approve By-Law X-2019 and repeal By-Law 51-2018 effective January 1, 2020

Purpose:

Establish new or revised policy and/or service standards

An Engaging City

- Good Governance

Background and Discussion:

The City of Burlington charges user fees for services provided to the community. Each year, the City reviews its fees and charges under the Municipal Act and makes adjustments where appropriate.

The 2020 City of Burlington Rates and Fees by-law (Appendix A) provides a listing of rates and fees for services provided by the City, as well as new proposed fees currently not being charged by the City.

City staff undertakes an annual review of rates and fees. The results of this review have been incorporated in the 2020 City of Burlington Rates and Fees. The majority of

the proposed rates and fees adjustments reflect inflationary increases and also to align with market analysis.

A summary of the analysis undertaken by each service is listed below:

A City That Grows

- **Community Design and Development Review**

A proposed 2% indexation of Planning and Engineering fees taking effect January 1st, 2020 will offset the impact of inflation, while ensuring that the fee structure remains fair and reasonable to the development industry. Some exceptions of increased or new fees include:

Revision fee for a Zoning Certificate:

Change this fee to apply to 3rd and subsequent submissions, which better reflects the cost of staff resources to comprehensively re-review an application. The intention is to encourage applicants to conduct a fulsome review of the Zoning By-law prior to making a submission, thereby making submissions which require less revision.

Revision Fee for OPA:

Changing revision fees so that there is no longer a separate category for Major or Minor revisions. This brings the cost of revisions in line with Official Plan Applications, which no longer have Major or Minor application types.

Preconsultation Fee:

A complex Preconsultation Fee has been proposed for all Official Plan Amendments, Zoning By-law Amendments and Subdivisions. These applications currently have a preconsultation process with no associated fee. The new fee reflects the staff resources required to review the materials and provide comprehensive feedback. Currently when preconsultation meetings do not result in a future development application, staff costs are not accounted for.

A Standard Preconsultation Fee has been proposed for all Site Plan, Variance (except for Sign Variance) and Consent Applications. There is currently a preconsultation process for Site Plan Applications and an informal service-counter preconsultation process for Variance and Consent Applications. The intention of adding a fee to this existing process is to add a formal process for Variance and Consent Applications, to account for staff time, and to provide greater quality control to applications that are received so that they are able to be processed with greater efficiency.

Both types of Preconsultation Fee (complex and standard) will be credited to a future application(s) within 1 year of a Preconsultation Meeting date, thereby rendering the fee cost neutral to formal applications. If an application is deemed to substantially deviate from the Preconsultation proposal a new Preconsultation fee, may be required, at the sole discretion of the Director of City Building. Additional Preconsultations beyond the first will not be credited to a future application.

- **Building Code Permits and Inspections**

The *Building Code Act (BCA)*, 1992 provides municipalities with the authority to collect fees to fully recover the cost of administration and enforcement of the BCA and the Ontario Building Code (OBC). Regulations made under the BCA/OBC outline the details of what can be included as part of the cost including direct and indirect costs, and provisions for a reserve fund. The basic principle for providing building permit and inspection services is: “Fees for Service”.

Rates and fees within the Section 6.11 of the City of Burlington Building Permit By-law 13-2018, are indexed to the Consumer Price Index (CPI) of Ontario as of December 31st and are adjusted annually on February 1st.

It is important to note that the exact amount of prescribed index is to be derived from official figures published by Statistics Canada, a common practice and an industry standard. While the exact CPI amount is not available at the time this report is written, staff will provide this information to Committee as soon as published by Statistics Canada, on or before the Council meeting scheduled for January 2020.

Routine Disclosure allows the public the right of access to information through an informal request rather than a formal request under the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA). This process and related fees were implemented in January 2019. It is therefore proposed these fees remain unchanged and no increase is recommended at this time.

A City That Moves

- **Transit**

The short-term focus in Transit continues to be system stability and building a foundation for future service changes and growth. In 2019 council provided the following direction to Burlington Transit:

- Provide free transit for adults 65 years of age and older between 9 a.m. and 2:30 p.m. on weekdays starting in June 2019 as a pilot;

- Provide free monthly passes on PRESTO for Burlington residents who qualify for the Subsidized Passes for Low Income Transit ([SPLIT](#)) program;
- Burlington Transit will work with Halton Region on ways to improve the Subsidized Passes for Low Income Transit program;
- Burlington Transit will work with school boards to develop a fare strategy for students;
- Burlington Transit will create a working group comprising of one Member of Council, members of the public and Burlington Transit Staff.

Transit staff will be monitoring these changes and strategizing to ensure that they are reasonable and appropriate as well comparable to other municipalities. For the 2020 rates and fees Transit Services will remain unchanged with the exception of:

- Discontinuance of all 10 ticket purchases. (Child, Student, Adult and Senior) effective August 31, 2019
- A 2% increase to Charter Fares to reflect inflationary cost increases.

● **Traffic Operations Management**

Traffic Operations existing fees are proposed to increase by 2% to reflect inflationary cost increases.

● **Parking**

Parking rates remain unchanged for 2020, as rates remain competitive.

● **Roads and Structures – Design and Construction**

Tender Fees have generally increased by 4.5% to remain competitive with neighbouring municipalities while covering costs. The permits and curb cuts have increased 5% to help offset the increase in staff time required to deliver this service. The amount of staff time has increased significantly over the years in following up with contractors to complete their work to City standards.

● **Roadway and Sidewalk Maintenance**

Upon completion of a market scan, an increase of 20% in 2020 is proposed for the windrow program to align with industry standards.

A Healthy and Green City

With a focus on increasing participation and fostering a sense of belonging for all residents, rates and fees are determined by community needs, customer feedback, participation rates, and market trends. A market analysis is performed each year to determine Burlington's competitive position while keeping rates affordable to maintain and encourage participation.

• Recreation Service

There are a total of 258 rates for programs and memberships for Recreation Services.

Rate increases are as follows:

- 3% average increase for Adults 55+ drop in programs
- 1% average increase for Aquatics recreational programs
- 1% average increase for both indoor and outdoor pool rates
- 1% average increase for Recreation Skate and Shinny Hockey
- 2% average increase for Youth, Teen, Preschool programs
- 2% increase for Tyandaga memberships
- 2% average increase for Gym rentals
- 1% average increase for Room rentals (includes Auditorium, Bandshell & Meeting)
- 6% average increase for Marketing (includes Arena Board, Live & Play and Read-O-Graphs)

New Rates:

- Shinny 10 Pass
- Tournament Application

Discontinued Rates:

- School Break Programs - In a continued effort to streamline rates, this rate was identified as a duplicate and is now combined / connected with other school break program rates.
- Make Time To Play Gymnasium Bookings – This rate discontinued as it is now connected to the Last Minute rate.
- Non-Resident Administration Fee Seniors (Per Program or Membership) - As opposed to having 2 Non-Resident Fees (General Programs and Seniors Programs), the rate has now been combined and called Non-Resident Administration Fee

- User Group Program Insurance Admin Fee - This fee has been discontinued as there has been a change in the fee structure with our current insurance provider.

Youth, Teen and Preschool recreational program rates were restructured to align with business needs and allow for flexibility for the changing market.

Overall, rates were maintained or slightly increased with the average rate increase between 2% and 3% to ensure customer participation and satisfaction.

- **Organized Sport Service**

There are a total of 71 rates for Sport indoor and outdoor space rentals.

Rate increases are as follows:

- 1% average increase in arena ice rentals
- 2% average increase for arena floor and storage rentals
- 2% average increase for school board use of city facilities
- 4% average increase for school board
- 2% increase for school board gymnasiums
- 2% increase for artificial turf
- 2% increase for park rentals
- 2% increase for photography and weddings

New Rates:

- Commercial / Non-Resident Arena Ice Rental
- Commercial / Non-Resident Arena Floor Rental
- Tournament Application

Overall, rates were maintained or slightly increased with the average rate increase between 2% and 3% to ensure customer participation and satisfaction.

- **Parks and Open Space Maintenance**

An increase of 2% in 2020 is proposed for the adopt-a-bed program due to increased material and labour costs.

- **Tree Management**

An increase of 2% is proposed for 2020 to cover the cost of staff time to review and process each permit.

A new fee for Private tree permits have been added to the service for 2020. The pilot private tree bylaw was initiated in March 2019 and will continue until March 2021. This applies to the Roseland Community only. This fee for 2020 has been set equal to that of a public tree permit to ensure consistency in the process.

- **Cemetery**

For 2020, after conducting a market comparison, Cemetery Service lot fees have been increased by 5.0% to better align with industry and market rates. All other Cemetery Service fees have been increased by 2%. It should be noted that care and maintenance fees for marker installations are prescribed by the Ministry of Government and Consumer Services, therefore do not see annual increases. Overall, these rate adjustments are reflective of increased operating costs for labor, materials and contracted services.

- **Environment and Energy**

Fees for the Community Garden program remain unchanged for 2020.

An Engaging City

- **Arts & Culture Service**

There are a total of 49 rates for Music, Teen Tour Band Student Theater and Festivals & Events.

Rate increases are as follows:

- 2% increase for Teen Tour Band fees
- 5% increase for Student Theatre shows
- 4% increase for General Theatre Camp
- 5% increase for Specialized Theatre Camp
- 50% increase for Festivals and Events commercial events for marketplace vendors, activity providers and food vendor
- 3% increase for portable stage rental
- 3% increase for Filming Per Day

- 10% increase for Filming Application Fee

New Rates:

- Student Theatre Once Upon A Time
- Special Event Application Process

Discontinued Rates:

- Festivals & Events Tent Rentals
- Filming Not For Profit / Student Rate

Overall, rates were maintained or slightly increased with the average rate increase between 2% and 5% to ensure customer participation and satisfaction. The 50% increase for Festivals and Events entries is proposed to reflect market rates.

A Safe City

- **Fire Emergency Response and Prevention**

The Burlington Fire Department conducted a review of other local fire departments rates and fees for revenue generation and cost recovery. All rates that are showing an increase are comparable with other local fire departments and adjusted to align costs to the service provided. Emergency response costs provided by the Ministry of Transportation (MTO) are current to the last rate provided by the MTO, this rate may change in-year based on updated information provided by the MTO. All full cost recovery line items will be billed back to individuals and companies based on the total costs incurred; this will include personnel, supplies, and retention of any third-party services. All fire department rates and fees are to promote fire safety behavior, mitigate costs incurred due to fire code non-compliance and for any services or activities provided outside the primary areas of responsibility and/or done by on behalf of any other municipality (Municipal Act, 2001).

- **Animal Control**

The Animal Control By-law #60-2005 is being amended to reflect an increase in fees. These fees are being adjusted for inflationary increases to keep fees consistent with City administration and enforcement costs. Some fees have traditionally been adjusted annually for inflation while other fees have been more comprehensively reviewed as to costs and market rates for equivalent service(s). This increase ensures that the fee structure is fair and reasonable, while reflecting the amount of effort in processing applications.

A market analysis has shown that the charges for dog and cat adoption fees are below other municipalities. The proposed increase of 4% will make the City's adoption fees comparable, while still remaining reasonable.

Surrender fees have been increased to better reflect the costs associated with taking in an animal. Most times the animal is in need of veterinary care and as a result they spend additional time at the shelter before they are ready for adoption. The City's surrender fees have been historically low and the increase in the surrender fees will help offset these costs.

Boarding costs for quarantined animals were also increased – shelter staff have risk for injury in dealing with quarantined animals and this should be reflected in the costs. These boarding costs are substantially lower than private sector boarding fees.

- **Municipal Law Enforcement and Licensing**

The primary reason for inflationary increases is to keep fees consistent with City administration and enforcement costs. Some fees have traditionally been adjusted annually for inflation, other than when fees have been more comprehensively reviewed as to costs and market rates for equivalent service(s).

Fee increases vary by each service type and reflect up to a 2% increase in fees, with some fees being rounded off to the nearest whole dollar.

Good Governance

- **Corporate Legal**

There are no rates or fees increases proposed for 2020 however, the charge for Drainage System Appurtenances Agreements is now specified under "All other Agreements".

Enabling Services

- **Financial Management**

Finance staff has reviewed fees to ensure that the City's rates are reasonable, appropriate and comparable to other municipalities. As a result, the fees for Bid Request documents have been increased to a uniform \$80 including HST for 2020 the same as tender documents for road construction.

- **Service Burlington**

Clerks annually reviews fees across area municipalities to ensure fees are in line with other municipalities. As a result, there is a proposed rate increase of 2.0% across services. These fees are in line with area municipalities.

- **Geographic Information and Mapping**

Where applicable, existing fees are proposed to increase by 2% to reflect inflation.

- **Sign Production Service**

Increases of 2% are proposed for sign sales in 2020 due to increased material and labour costs.

- **Corporate**

Corporate fees reflect items charged across city services. Fees are centralized to ensure consistency in charging across the organization. There are no proposed fee increases to corporate fees for 2020.

Strategy/process

The rationale for charging user fees is that those who clearly benefit from a service should be the ones to pay for it. User fees form one of the most significant portions of revenue earned by the City after property tax revenues. In order to mitigate property tax increases, the City of Burlington has been proactive in ensuring that the services provided by the City reflect a high level of cost recovery to the greatest extent possible while balancing affordability and providing access to services.

Financial Matters:

Rates and fees are reviewed annually by City staff and adjusted where appropriate to reflect cost increases while ensuring that market conditions are suitable for the adjustments.

Total Financial Impact

Any additional revenues from increased/new fees or volume adjustments will be reflected in the 2020 proposed operating budget.

As part of the 2020 Budget Framework Report (F-28-19), an estimate of approximately \$850,000 was included for increased revenues.

Public Engagement Matters:

The proposed fee increases have a financial impact on a number of stakeholders.

City staff will be notifying impacted stakeholders of amended fees as per their established process. Unless otherwise indicated, fees will be adjusted January 1, 2020 to provide sufficient notice to the public. Fee increases will be posted on the City of Burlington website in advance of the January 1st increases.

Conclusion:

The amendments to user fees are intended to mitigate cost pressures on the programs and services the City provides, while continuing the delivery of quality programs and services for the residents of Burlington.

Respectfully submitted,

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Appendices:

A. By-Law X-2019 - Rates and Fees

(Schedule A to Appendix A can be accessed at www.burlington.ca/calendar)

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.