



SUBJECT: 2022 rates and fees

TO: Corporate Services, Strategy, Risk & Accountability Cttee.

FROM: Finance Department

Report Number: F-35-21

Wards Affected: All

File Numbers: 435-03

Date to Committee: November 3, 2021

Date to Council: November 23, 2021

Recommendation:

Approve the 2022 rates and fees as outlined in finance department report F-35-21, effective January 1, 2022 unless otherwise indicated; and

Approve By-Law XX-2021, attached as appendix A to finance department report F-35-21 and repeal By-Law 92-2020 effective January 1, 2022.

PURPOSE:

Vision to Focus Alignment:

Establish new or revised policy and/or service standards.

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 2022 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 2022 City of Burlington Rates and Fees. Many services are proposing moderate increases to rates and fees after flatlining fees in 2021 to

provide financial relief during the COVID-19 pandemic. Some services continue to maintain a 0% increase over the 2021 base rate in order to extend the financial relief to residents and user groups.

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.

A summary of the proposed fee changes for each service is listed below:

A City That Grows

- **Community Design and Development Review**

A Comprehensive Fee Review is underway which will result in updated fees in early 2022. As an interim measure, a proposed 2.0% indexation of Planning and Engineering fees taking effect January 1st will offset the impact of inflation. No further adjustments are anticipated until the completion of the Comprehensive Fee Review.

- **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 66-2019 as amended, are indexed to the overall % increase for the total Human Resource expenditures as approved in the annual budget in relation to the Building Section and are to be adjusted annually on February 1st. Flat fee rates shall be rounded to the nearest dollar amount (increments of half dollar shall be rounded up). All other fees shall be rounded to the nearest cent.

City That Moves

- **Transit**

Cash fare will remain the same for 2021 at \$3.50 for all age groups. Riders can take advantage of age-based concessions using a PRESTO card, which is the preferred fare payment method.

To align further with Metrolinx fare concessions, Burlington Transit is continuing to use the loyalty program. Instead of selling monthly passes, riders will be charged for each ride up to 38 rides. If they go beyond 38 rides, there is no additional fares taken for the month. This was identified as an enhancement to the fare payment program due to COVID-19 in March 2020. This approach ensures that riders are only charged for what they use.

The goal by 2024 is to align the loyalty program with Metrolinx, by which the number of rides required for loyalty will be 40 rides. Each year an additional ride will be added to the Loyalty rates.

The Free Seniors pilot was approved in 2019, as part of the city's operating budget and was continued through to the end of 2021. This program will be considered for inclusion in the 2022 operating budget to make this permanent.

- **Traffic Operations Management**

A proposed increase of 2% in 2022 has been applied to all fees to account for inflation.

- **Parking**

Parking Management added a rate for paid parking at Beachway and for boat trailer parking at LaSalle Park. The rate per day at Beachway Park is \$20.00/day and \$2.50/hour. The daily rate for boat trailer parking at LaSalle Park is \$20.00. All other vehicle parking at LaSalle Park remains free. These rates are inclusive of HST.

Other than the above, parking rates remain the same for 2022 to provide financial relief to residents and businesses during the COVID-19 pandemic. A municipal review was conducted, and this is consistent with what other municipalities are doing. Parking Services does intend to review this next year.

- **Roads and Structures – Design and Construction**

Tender Fees have been increased by 2.5% to be more in line with neighbouring municipalities while remaining competitive. The Trench Excavation and Driveway Modification Permits have been increased by 2% to cover the increase in staff time

required with the utility corporations. The Curb Cut permits have been increase by 44% to cover the anticipated increase to the curb cutting contract and administrative support.

The Municipal Access Agreement Annual Fee in the amount of \$16,000.00 is for the recovery of the Municipality's causal costs incurred as a result of a Utility Company's constructing, installing, maintaining, repairing and operation its equipment in the ROWs, excluding Goods and Services Taxes and any other applicable taxes.

- **Roadway and Sidewalk Maintenance**

Upon completion of a market scan, an increase of 3% in 2022 is proposed for the windrow program.

A Healthy and Greener City

- **Recreation, Community and Culture**

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.

In a typical year, a market analysis is performed to determine Burlington's competitive position. For 2022, the focus continues to be keeping rates affordable to encourage participation. Overall, most rates were held at 2021 rates. The rates that were changed are identified below, along with the rationale for changing them.

Rate Adjustments for Consistency:

- Fees now have consistent age groups – 19+ and 55+ across all categories
- Drop-in rates for Swimming, Skating, and Pre-school have been aligned

Rate Increases:

- Discontinued membership revenue stream will be recovered through broad-based redistribution of blended fees across all Adult Programs
- Community Gardens now roll under Community Development from Environment & Energy Services, and rates have increased by 3% to align with market
- Shinny Hockey is increasing by 10% to align to market rates
- Tyandaga rate increases for memberships, green fees, and golf cart rentals to align with competitors

Discontinued Rates and Rationale:

- Homeschool Rate Family Rate – replaced by Youth and Preschool drop-in rates with discounted pricing for purchasing in 10 or 40 pass packages
- Portable Sound System – no longer used

- Senior Centre magazine advertising – no longer issued
- Digital advertising in Facilities – not used

- **Parks and Open Space Maintenance**

The adopt-a-bed program fees are recommended to be flatlined to provide financial relief due to COVID-19. This program did run in 2021 following not running in 2020.

- **Urban Forestry**

Forestry staff are currently reviewing the private tree by-law with scheduled engagement to occur with Council in November through a Workshop, followed by a recommendation report to be provided in March 2022. The engagement with Council may impact rates and fees, but changes are not anticipated until the 1st or 2nd quarter in 2022. In the interim, a 3.0% increase is proposed except for replacement compensation of private and public trees. It is anticipated that the rates identified in the future report to Council in 2022 will supersede the interim indexation.

- **Cemetery**

For 2022, an increase of 3% is proposed for cemetery services.

- **Surface Water Drainage**

For 2022 it is recommended that the fees of all Surface Water Drainage categories be increased by 1.5%.

A Safe City

- **Fire Emergency Response and Prevention**

Due to the COVID-19 pandemic and the fiscal challenges it has created within the community, only rates and fees that are associated with non-compliance of the Ontario Fire Code, associated Regulations and City Bylaws are showing an increase. All full cost recovery (100%) rates and fees will be billed back based for the total costs incurred; this may include personnel, supplies, and/or the need to retain third-party services. All rates provided by the Ministry of Transportation (MTO) for motor vehicle collision and fire responses are updated during the year based on the rate provided the MTO.

The objective of all rates and fees billed by Burlington fire service is to promote and support fire safety in the community, encourage Fire Code compliance, mitigate costs incurred due to non-compliance, additional costs incurred at an incident, and for any

services or activities provided or done by or on behalf of another municipality (Municipal Act, 2001).

Starting in 2022, the Burlington fire service is adding a new fee for second and subsequent Fire Safety Plan reviews and approvals due to incomplete/non-compliant submissions. Additional information provided below.

New - Fire Safety Plan, Review and Approval Fee – Second and Subsequent Fee

A Fire Safety Plan (FSP) is a document required under Section 2.8 of the Ontario Fire Code and outlines actions that should be taken by owners and occupants in the event of a fire. The FSP is required for buildings based on occupancy and use. Some examples of occupancy types in the community that are required to provide an FSP are; care and treatment occupancies, retirement homes, business and personal services with an occupant load exceeding 300, mercantile occupancy exceeding 300, buildings and premises containing 4 stories or more.

Each FSP provided by a property owner is submitted to the fire department for review and approval by the Chief Fire Official (or designate). Before approving, the fire department ensures the plan is prepared in compliance with the Ontario Fire Code, may conduct on-site inspections and observe mock fire drills, as required.

A new fee for Fire Safety Plan reviews and approvals will be issued to a property owner for all FSPs that are submitted incomplete/non-compliant and require additional time and staff resources to approve. Under the fire code it is the property owner/manager who has responsibility to ensure the Fire Safety Plan is developed, approved, and fully implemented.

This new fee will be issued for every second and subsequent review and approval process with the intent to encourage a property owner/manager to take the necessary time and training to adequately complete the legislatively required FSP. Third party Fire Safety Plan training and professional services are available to assist property owners/managers.

- **Animal Services**

The primary reason for inflationary increases in Animal Services is 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 against costs and market rates for equivalent service(s).

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

- **Municipal By-Law Enforcement**

Significant changes to the inspection fee and noise exemption fee based on operations are proposed. In addition, the sign permit renewal fee that should have been transferred over in 2017 when the By-law was updated has been added back in.

NOISE EXEMPTION FEE

The proposal to increase the Noise Exemption fee to \$175 is based on market survey. The average fee among municipalities is \$215. The new proposed rate matches Oakville.

INSPECTION FEE

A new flat fee of \$210 is proposed to make it easier to administer and defend. Changing to a flat fee based on average fee amounts brings the City more in line with other local municipalities. Collapsing to a flat rate will also reduce the workload for staff who currently have to apply the 40% charge to inspections.

CERTIFICATE OF COMPLIANCE

It is proposed that the certificate of compliance be condensed into one fee. This fee is consistent with other municipalities.

- **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 while other fees have been more comprehensively reviewed against costs and market rates for equivalent service(s).

To provide financial relief to Burlington businesses impacted by the Covid-19 pandemic, emergency order and provincial lockdowns, Licensing rates and fees have been flat-lined to the 2021 fees.

Good Governance

- **Corporate Legal**

In light of the ongoing effects of COVID-19, Corporate Legal is not raising any rates or fees for 2022.

Enabling Services

- **Financial Management**

Fees remain unchanged in 2022 in an effort to provide financial relief due to the COVID-19 pandemic.

Also, based on an assessment of other municipalities, Burlington's fees are on par with other communities.

- **Service Burlington**

Corporate Customer Experience annually reviews fees across area municipalities to ensure fees are in line with other municipalities. As a result:

- Administration fee for Property Information Requests increased by 4.5% as this has not been increased in several years.
- Commissioning Services and Burial Permits: a proposed rate increase of 2.5% for these services. These fees are in line with area municipalities. (Rounded up slightly for an even number)
- Marriage License Application: a proposed 5% increase to marriage license application services. This will place Burlington in the middle of the price range for this service. (Rounded up slightly for an even number)
- Group Home fees have not been increased since 2012 and the City is significantly below area municipalities. A proposed 25% increase spread out over 5 years which results in a fee increase of 5% per year.
- Routine Disclosure: These fees are in line with fees charged through Municipal Freedom of Information and Protection of Privacy Act. No proposed fee increases for these services.

- **Sign Production Service**

An increase of 3% is proposed for sign production services to align with the increase in inflation.

- **Geographic Information and Mapping**

Existing fees are proposed to not increase in an effort to provide financial relief to user groups.

- **Corporate - City Wide Charges**

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 2022.

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 2022 proposed operating budget.

Climate Implications:

Not applicable.

Engagement Matters:

The proposed fee increases affect several 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, 2022 to provide enough 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. For 2022, some user fees are increasing moderately to reflect inflation while others are remaining the same as 2021 to provide continued financial relief to the community.

Respectfully submitted,

Tolu Ajise

Coordinator of Accounting Services

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Appendices:

A. By-Law XX-2021 – Rates and Fees

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.