Minute No. 183
Report - Standing Policy Committee on Property and Development - March 3, 2009

Item No. 1 Planning, Development and Building Fees By-law Review 2009
eFile EP-1

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submits the following to Council:

1. That a new proposed Planning, Development and Building Fees By-law which moves towards a full cost recovery methodology be enacted.

2. That the new fees and revisions to existing fees, as outlined in Attachment "D" in the report dated February 20, 2009 from the Director of Planning, Property and Development, be approved. Further, that all other fees covered by this by-law be increased by 11%.

3. That the Planning, Development and Building Fees By-law come into effect May 1, 2009 in order to provide notice to the industry to adjust for the 2009 construction season.

4. That all fees and charges contained within this by-law be reviewed at least once every three (3) years.

5. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Minutes – Executive Policy Committee - March 19, 2009

Report - Standing Policy Committee on Property and Development - March 3, 2009

DECISION MAKING HISTORY:

Moved by Councillor Fielding,

That the recommendation of the Standing Policy Committee on Property and Development be concurred in and forwarded to Council.

Carried

Wally Arndt submitted a communication dated March 19, 2009 with respect to the Planning, Development and Building Fees By-law Review 2009.

STANDING COMMITTEE RECOMMENDATION:

On March 3, 2009, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service dated February 20, 2009, and submitted the matter to the Executive Policy Committee and Council.

RE: PLANNING, DEVELOPMENT and BUILDING FEES BY-LAW REVIEW 2009

FOR SUBMISSION TO: Standing Policy Committee on Property and Development

ORIGINAL REPORT SIGNED BY: Director of Planning, Property and Development

REPORT DATE: February 20, 2009

RECOMMENDATIONS:

1. That Council adopt a new proposed Planning, Development and Building Fees By-law which moves towards a full cost recovery methodology.

2. That the proposed new fees and revisions to existing fees, outlined in Attachment "D", be approved. Further, that all other fees covered by this by-law be increased by 11%.

3. That the Planning, Development and Building Fees By-law come into effect May 1, 2009 in order to provide notice to the industry to adjust for the 2009 construction season.

4. That all fees and charges contained within this by-law be reviewed at least once every three (3) years.

5. That the proper officers of the City be authorized to do all things necessary to implement the foregoing.

Report Summary

Key Issues:

- During 2009 budget deliberations, the Planning, Property and Development Department committed to increase revenues in order to move toward full cost recovery for building related permits, inspections and land development approvals.

- Most existing fees in this by-law will be increased by 11%. Several new fees are proposed for implementation in 2009. In addition, several existing fees will be adjusted by a percentage other than 11% for various reasons. The fee increases will come into effect May 1, 2009.

- Even with the fee increases, Winnipeg maintains the lowest fees for housing permits among major Canadian municipalities while fees for commercial permits are commensurate with cities of comparable size across the country.

- The proposed new fees are consistent with fees for service categories in other Canadian municipalities.

- Fees and charges regulated and imposed under this by-law will continue to be reduced by a flat rate of 10% for the downtown areas defined by By-law 100/2004.

- Consultation took place with the Manitoba Home Builders Association regarding proposed fee increases.

- The Planning, Building and Development Fees By-law contains fees for several different types of services, primarily for building permits and land development approvals.

- Predicting building permit revenues is difficult and is influenced by many factors, including:
    - Type of application
    - Physical size of project
    - Complexity of fee rationale for various permit types (i.e. service index)
    - Volume of applications (driven in part by economic factors)
    - Economic factors (such as population growth, economic growth, changes in demographics, availability of serviceable land, infrastructure capacity (roads and pipes) and market demand)

- Due to the difficulty in predicting building permit revenues, a sensitivity analysis was conducted to demonstrate the revenue impact of varying permit volumes and rates of fee increase.

- Some issues which need to be considered when moving towards full cost recovery are:

    - Waiver of permit fees
    - Service-based budgeting and analysis

Implications of the Recommendation(s):

General Implications

( ) None

( ) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s):

The report recommends fee increases in order to move towards full cost recovery for services related to building permits, inspections and land development applications.

Policy Implications

( ) No

(X) Yes

Comment(s):

During 2009 budget deliberations, the Planning, Property and Development Department was directed to increase revenues in order to move towards full cost recovery for services related to building permits, inspections and land development applications. This report recommends that Council adopt a new Planning, Development and Building Fees By-law which will move the development applications, permits and inspections service toward full cost recovery with a general increase of 11% commencing May 1, 2009. A new by-law will need to be approved by Council.

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(X) No

( ) Yes

Comment(s):

Human Resources Implications

(X) No

( ) Yes

Comment(s):

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s):

Based on current economic and construction forecasts and the subsequent anticipated permit and land development approval volumes, the Department projects that the proposed fee increase and introduction of new fees will achieve about $1 million in revenues during the period May 1st through December 31, 2009, which is the difference between 2009 budgeted expenditures and 2009 projected revenues for the *Development Applications, Permits and Inspections Service.*

Report

REASON FOR THE REPORT:

In October 2004, Council directed the Planning, Property and Development Department to conduct a review of the fees by-law within three years of its enactment.

During 2009 budget deliberations, the Planning, Property and Development Department was directed to increase revenues in order to move towards full cost recovery for services related to building permits, inspections and land development applications.

Any introduction of fees or increases to fees requires the approval of Council.

Any modifications or changes to the Planning, Development and Building Fees By-law requires Council approval.

HISTORY:

The Planning, Property and Development Department is responsible to review, approve and inspect development applications to ensure compliance with City Zoning By-laws and the Manitoba Building Code for the construction and occupancy of all buildings.

For 25 years or more, the City of Winnipeg's approach to fees and charges had been to recover roughly 50% of its costs of administering and enforcing by-laws governing planning, development and construction through the imposition of fees. The Council Minutes on March 20th, 1991 contain the following statement:

> *"Therefore, the 50 % proportion of revenues to costs has remained relatively constant over the last decade."*

This ratio has remained relatively constant in the years since 1991.

1991

A comprehensive review of the Fees By-law was conducted in 1991. This review resulted in Council increasing building and development fees by 6.5%, the accumulated rate of inflation for the years 1988, 1989 and 1990.

1995

In 1995, only the building and trades fees were reviewed, resulting in an overall increase in the range of 1.5% to 15%. All other development, planning and service fees that were not directly related to building and trades were not increased.

1998

A small-scale review in 1998 saw the 1997 rate of inflation (1.7%) used to adjust all fees contained in the Development Fees By-law, with the notable exception of Single-Family Residential New Home Permits. As a result, prior to increase in 2008, the last increase in permit fees for Single Family Residential New Home Permits was in 1995.

The recommendations from the review were submitted to Standing Policy Committee on Property and Development, who on December 16, 1998 instructed the Planning, Property and Development Department to perform a comprehensive review of the Development Fees By-law within three (3) years or upon completion of the "*Build System*".

The recommendations of Standing Policy Committee on Property and Development resulted in Council:

- Adopting the proposed text amendments;
- Agreeing that a further, comprehensive review be deferred until the "Build System" is fully operational; and
- Concurring with 1992 Council decisions to increase fees by *the rate of inflation*.

The BUILD System is an ongoing project, which incorporates the automation of Building Permits, Inspections and Land Development applications. The BUILD System is a foundation system that helps to incorporate automation in the delivery of service to the public. Therefore, the BUILD System will never be complete as it continues to be refined to help in streamlining business rules associated with service delivery. In the summer of 2000, it was felt that the BUILD System was stable enough that a comprehensive and meaningful review of the fees by-law could be reasonably undertaken.

2000

In July 2000, the Planning, Property and Development Department embarked on a comprehensive review of the existing fees by-law. The review involved:

- Consultation with industry stakeholders;
- Research into the methodologies and fee structures used in cities across Canada and the United States.

The review identified a number of issues to be addressed:

1. Winnipeg had the second highest commercial building permit fee structure in Canada, at $7.12 per thousand dollars of declared value of construction. Only the City of Ottawa had a higher rate, that being $11.00 per thousand dollars of declared value of construction. Despite this fact, the fees collected in Winnipeg did not cover

the cost for providing the services associated with ensuring compliance with applicable codes and by-laws.

2. The system of using declared value of construction to calculate fees lead to an unfair and inequitable "*playing field"* resulting from inconsistency in customers' estimation of declared value of construction.
3. The City of Winnipeg had the lowest minimum permit fee compared to cities of comparable size in Canada, that being $23.39. The average minimum permit fee, for cities researched across Canada, was calculated at $100.00.
4. Using the rate *of inflation as a means for increasing fees*, did not address the changing reality in the Department, from <u>1991 -to- 2002</u>, concerning:
    - centralized operations, (i.e. One Stop Shop)
    - new ways of doing business, (i.e. Generalist Housing Inspector Program)
    - new technologies and codes, (i.e. Items such as "environmental separation")
    - computerization, (i.e. Permit applications, inspection recording)
    - legal decisions & requirements, (i.e. Increase in litigation, new legal interpretations)
    - expanding staff expertise, (i.e. Complexity of technologies, equipment)
    - training and resources (i.e. Computerization, more info, more speed)

The comprehensive review focused on achieving an approach to fees and charges that would better meet the Department's goals of:

- Greater fairness and equity for all customers.
- Consistency in the application of fees.
- Fees applied in a manner more reflective of the range of services provided.

As a result of the July 2000 review, the Planning, Property and Development Department recommended that if there is a direct service provided to a citizen/customer, fees for such services should be applied in a fair and equitable manner. This required that the Department:

1. Redefine the business strategy and methods used to calculate fees for commercial buildings by moving to a service index methodology; and
2. Adjust specific fee rates and add several new ones to better reflect the cost of providing services.

<u>2004</u>

In October 2004, Council adopted the current Planning, Development and Building Fees By-law. Among other things, this By-law abandoned the previous practice of relying on the stated value of commercial construction in order to calculate the applicable fee in favour of a service index methodology.

2008

In February 2008, during budget deliberations, the Planning, Property and Development Department committed to increase revenues by $3 million in order to make up the shortfall between 2008 revenues and expenditures, and move closer to full cost recovery. To accomplish this, a 21% increase in fees across the board was approved with an effective date of May 1, 2008. Several new fees were also introduced. There was significant negative reaction from the industry to the large fee increase.

DISCUSSION:

The significant increase in construction activity over the past few years, combined with static inspection and enforcement resources has placed considerable pressures on the Planning, Property and Development Department. In order to address resource constraints and increasing demands for service, the Department has been working diligently to reduce its red tape and speed up permit processes for its customers through various initiatives. Specifically, the Department has undertaken to:

- Streamline processes in order to align work differently -- this will allow for more effective use of technical expertise and human resources in targeted service areas.

- Obtain reliable statistics regarding processing times for permit and inspections -- identification of realistic statistics enables the Department to effectively identify capacity and volume of workload.

- Constantly review staff resource requirements to achieve and maintain alignment between human resource requirements and service demands from the construction industry.

- Continually improve service delivery year over year through consultation with staff, industry and the general public with a commitment to transparent and accountable processes.

The Planning, Property and Development Department is cognizant of and takes seriously its responsibilities as a municipal authority ensuring public safety. In November of 2003, the Planning, Property and Development Department of the City of Winnipeg launched a comprehensive review of their permit processing system.

Improvements to the permits process have continued to take place based on consultation with industry, staff and the public, and were made for both the construction industry customers and the homeowner customers.

The Final Report of the Mayor's Red Tape Commission highlighted the work of the Permits X-Press by stating,

> *"The Planning, Property and Development's Permits X-Press system was frequently identified as a City best-practice. We also heard strong and positive feedback for the Department's efforts to resolve building issues in advance through "pre-meetings" with project managers. Finally, respondents to the BDO Dunwoody Consumer Experiences Study praised the Department for improved management of inspections and reduced logjams at other points of service."*

The Current Economic and Construction Environment in Winnipeg

Recent reports from both Conference Board of Canada and Canada Mortgage & Housing Corporation (CMHC) show Winnipeg's economy did very well in 2008, but 2009 will see somewhat moderated performance, though better than the rest of the country *(see Attachment "A"*). This economic outlook is based on the following:

- Slowing sales in manufacturing and retail sectors are balanced by a jobs picture that includes an unemployment rate that is well below the national average, and
- Further expansion in the export sector

The most significant risk to the local economy is in the form of uncertainty regarding the impacts of credit conditions in Canada, and an economic slowdown worldwide, particularly in the United States. Currently, these impacts are unclear, as there is significant volatility in markets across North America. This concern, notwithstanding, Winnipeg is well positioned to weather the current economic downturn compared to other markets across the country.

The outlook for Winnipeg's housing market is mixed, with economic and housing market forces in opposition to a number of positive influences such as record migration and 2008's impressive rate of full- time job growth. Based on this, CMHC is forecasting that

- Single detached home construction will see volumes moderated slightly from 2008
- Despite builders' concerns regarding credit market uncertainty and building inventories that will result in a more cautious approach in 2009, multi-family starts will not fall precipitously as they will be supported by continued demand for an expanded rental market

A number of large scale capital projects are set to begin over the next two years even as those that have been the drivers of non- residential construction over the last two years reach completion; including the Canadian Museum for Human Rights, a mass transit expansion and plans for a new football stadium.

It is anticipated that home renovation activity levels will be similar to 2008 with the recent announcement by the Federal Government of the Home Renovation Tax Credit Program, which will provide a tax credit of up to 15% of the value of a wide variety of home renovations.

Permit Reserve Fund

Although permit activity for 2009 is predicted to be slightly moderated from 2008, it is anticipated that there will eventually be a future economic downturn. In order to address this, the Department submitted a report to Council in February 2007 to introduce a "Permit Reserve Fund" to deal with year-to-year fluctuations in permit activity. Historically building permit activity has fluctuated with the economy. There is a fear that the improvements realized could be negated if the revenues associated with Building Permits begin to decline.

In exploring options to provide a more predictable and permanent solution to this issue, the Department researched the creation of a special purpose "Permit Reserve Fund". In February 2007, Council established the "Permit Reserve Fund" to maintain specific program needs and provide budgetary stabilization by using the Reserve to mitigate revenue shortfalls in building permit revenue in any annual operating budget cycle. Similarly, contribution(s) are to be made to the Reserve when additional funds are available to address future swings in building permit revenues. The intent of the Reserve is to:

- Address shortfalls in actual permit revenue in the Development and Inspections Division compared to budget in any given year.
- To address the cost of additional temporary staff resources, beyond that already identified in the Department's budget required to respond to annual fluctuations in construction activity in order to provide a consistent level of service.
- To facilitate the cost of additional resources, outside the normal budget process, required in order to respond quickly to unanticipated opportunities for service improvements (e.g. Permits X-Press, Implementation of new Zoning By-law, Red Tape Report).
    - The Reserve is another tool to fund planning and customer service improvement projects and is a more proactive approach to addressing these issues
    - The Reserve is a longer-term solution and should eliminate the need to make periodic, project specific requests for increases in funding.

The Permit Reserve Fund will enable Building Permit related service delivery to continue at required levels during a future economic downturn. In the event that the current economy does indeed take a downturn that impacts the construction industry to a greater degree than forecast by CMHC, the Permit Reserve can be accessed to address the resulting shortfall in revenues due to decreased volume. Without a reserve, a significant property tax subsidy is required to fund the total costs of administering and

enforcing the Building Permit related services. The Department believes the Permit Reserve Fund will allow the Department to accelerate service speed for permit approvals, commitments made through the Permits X-Press project, and assist the Department in the implementation of future service improvements identified by Council.

Fee Methodology

The Planning, Development and Building Fees By-law uses a "Service Index" method as a reliable, predictable and transparent method of calculating fees, for all fees except commercial interior renovations, where the declared value method of fee calculation has been determined to be more appropriate. The revenue generated from these fees is intended to cover the cost of delivering the various services that relate directly to approvals and inspections.

Research conducted in cities across Canada and the United States indicates the increasing use of a "Service Index" method to calculate fees for services provided.

Under this model, the fee charged is based on three factors:

- the type of building being constructed (based on a National Building Code classification);
- the size of the building; and
- whether the construction will leave the building finished or merely a shell.

The implementation of a "Service Index" method has proven to be problematic in one area - alterations in commercial buildings. This is due to the fact that, unlike new construction, in many cases the actual area / size of the project undergoing alteration does not reflect the amount of work being performed or the impact on services for plan review and inspections. The result is that the fee charged is grossly inadequate to recover even 50% of the costs to the City. Some examples of such types of projects are as follows:

1. General renovations to a building that is localized in different parts of the building, but that have electrical wiring and fire alarm implications throughout the building. This requires a full Plan Examination review and considerable inspection time.

2. Installation of a sprinkler system or cooking equipment in a small area that will pierce fire separations and as such has architectural, mechanical and electrical plan examination implications.

To address this, fees for all post-construction alterations of commercial structures are calculated on the basis of the declared value of the alteration. This better reflects the

actual costs of the services provided by the City of Winnipeg and offer predictability and transparency in the application of the fees.

Challenges in predicting future permit activity

Other than for internal commercial renovations (see above) the Planning, Development and Building Fees By-law use a "Service Index" method as a reliable, predictable and transparent method of calculating fees. The revenue generated from these fees is intended to cover the cost of delivering the various services that relate directly to approvals and inspections.

In order to determine a specific increase in fees, the Planning, Property and Development Department has to be able to predict with some level of certainty the various construction projects that will commence in the new year. This is a very difficult task, as it involves predicting not only the number of applications for the various types of construction projects but also the size of the projects that will be undertaken.

Construction projects are dependent on various factors, including but not limited to population growth, economic growth, changes in demographics, availability of serviceable land, infrastructure capacity (roads and pipes) and market demand. All of these combine to facilitate the need for new construction or renovation of existing buildings. Changes in any of these factors can have a major impact on the number of applications for various types of permits.

While past permit volumes and revenues provide one indicator for predicting future volumes and revenues, this indicator alone is not totally reliable. For example, although the total number of permits issued between 2000 and 2001 increased (see Attachment "B"), the total revenue for the Planning, Property and Development Department actually decreased by over one million dollars (see Attachment "B"). Further review of the difference between the two years showed that there was an increase in the number of residential permits but a slight decrease in the number of non-residential permits. Clearly, slight fluctuations in the type of permit activity can have a significant impact on the revenue generated.

An argument could be made that the declared value of construction as a means for determining permit fees was prone to errors, as it relied on the declaration from the applicant and may explain fluctuations in the revenue collected. Although it is agreed that the declared value of construction could be abused, it is not that simple. As another example, the last revision to the fees by-law in 2005 introduced the "Service Index" method and the revenue projections were adjusted by one million dollars. A thorough review of all 2004 permits was conducted and the new "Service Index" method was applied to all of the permits in that year, to determine what the revenue would have been if it was applied in that year. It was estimated that if the volumes and types of permits continued the revenue would increase by at least one million dollars. Coincidentally, in 2005 the projection and revenue were very close. Furthermore, in 2006 it was estimated that the volumes and types of permits would continue to be

around the same volumes. In fact, the volumes were very close to 2005, with a slight increase (some 40 permits total, lower in residential and increase in non-residential). The revenue on the other hand increased by two and half million dollars. Furthermore, in 2007 the total number of permits decreased in comparison with 2005 and 2006 for both residential and non-residential categories, yet the revenue increased by almost 3 million as compared to 2005. This further illustrates that predicting revenue for building permits by total volumes or types of permits is very difficult.

One explanation for this large difference in revenue collected could be that not only is the type and volume of permits a factor but the total square meters of the projects is also a major consideration. This of course is very difficult to predict as projects are influenced by the many factors identified above. Another explanation is that in some years one or two very large non-residential projects for new construction can generate considerable revenue for the Department. Some examples of these projects are the MTS Centre, a large hospital building or an increase in a specific non-residential category such as industrial or commercial buildings.

Comparison with other municipalities

A review was conducted of various municipalities across Canada to compare charges for similar services for Building Permits and Land Development Approvals (see Attachment "C"). The following cities were reviewed for comparison purposes:

Hamilton	Regina
London	Saskatoon
Brampton	Calgary
Markham	Edmonton
Toronto	Vancouver
Ottawa	Surrey

The review showed that fees in Winnipeg for Building Permits, Land Development Approvals and Planning services are considerably lower than other cities in many instances.

- In reviewing the fees for One and Two Family Building Residential Permits, Winnipeg charges by far the lowest fee. In fact, even with the 11% increase, Winnipeg remained the lowest fee of the cities reviewed.

- In regards to Commercial Building Permits, with the introduction of the "Service Index" method, Winnipeg continued to be in the middle of the list for fees and charges in the group of cities surveyed.

Analysis of Revenues and Expenditures

A detailed analysis was conducted through comparison of budgeted expenditures for the service area encompassing building permits, inspections and land development applications, against revenues generated through the Planning, Development and Building Fees By-law

The analysis required the Department to first separate the expenditures and revenues by a grouping of services. This required examining all fees collected for the numerous permits and grouping them by those categories. The difference between the actual expenditures was compared with revenue collected in those categories, in order to determine the percentage increase needed to reach full cost recovery for the service.

In order to more accurately reflect the costs and revenues associated with all services related to building permit, inspections and land development approvals, the *Building Permits and Inspections Service* has been re-examined and updated and is now known as the *Development Applications, Building Permits and Inspections Service*, for 2009 and beyond. This new service incorporates all of the activities attached to the former *Building Permits and Inspections Service,* as well as land development approval activities formerly attached to the *Planning Service*, and some permit related activities carried out by the Public Works Department. This new Service better represents the true costs and revenues associated with processing building permits and land development applications and approvals.

Because of this change, 2009 will be used as the benchmark year for cost and revenue comparisons for the new *Development Application, Building Permits and Inspections Service,* on a go-forward basis.

Data from all applications related to Building Permits and the various fees charged for those applications was collected in order to determine the overall revenue being generated and volumes of various application types. This data was then used to determine if there was some method of predicting with some certainty future revenue. As previously discussed, the revenue generated depends on many factors including volume, size of construction, value of construction and type of construction. This proved to be a very difficult task which was further compounded by the fact that economic factors, large projects and slight increases in some categories would impact revenues dramatically.

Due to the difficulty in predicting building permit revenues, a sensitivity analysis was conducted to demonstrate the revenue impact of varying permit volumes and rates of fee increase on the permit types. The permit types that generated a majority of the revenue for the Department were examined and the sensitivity analysis was applied in order to determine impact on revenues when volumes increased or decreased.

Based on this analysis, and factoring in the 2009 construction forecasts as provided by CMHC and the Conference Board of Canada, it was determined that the gap between budgeted costs for the Development Applications, Building Permits and Inspections Service, and the projected revenues as per the 2009 draft operating budget is

approximately $1 million. In order to achieve full cost recovery for this Service, a fee increase of 11% for most fees is required for 2009.

Several new fees are proposed for implementation commencing in 2009 in an effort to move towards full cost recovery for a more representative range of services provided within the *Development Applications, Permits and Building Inspections Service*. These are outlined in Attachment "D". In addition, a small number of existing fees have been adjusted by an amount greater than 11%.. These fees are also outlined in Attachment "D".

It is proposed that this fee increase be implemented effective May 1, 2009 in order to provide adequate notice to the construction and development industry.

Issues and Considerations

WAIVER OF FEES

The practice of waiving of Building Permit fees has been used as one of many of the tools for an economic incentive for attracting, encouraging or retaining specific projects that Council may consider important in improving the overall economic viability of the City of Winnipeg.

However, using the waiver of fees as a tool for economic development is not without cost. Plan examinations, building inspections and other activities are still required and the Department must account for these in its budget. The practice of waiving fees has a direct impact on the ability of the Department to generate revenue to cover the cost of the service. These costs must be recouped in one of two ways – either through tax-supported revenue or by requiring that other users of the Department's services pay increased fees that come closer to the full costs of their services.

DISCOUNT FOR PROJECTS IN THE DOWNTOWN

As with the waiver of fees by Council in particular situations, Council's policy (which is embedded in the By-law) of reducing the fees for development projects in the Downtown area is considered an important incentive for development that will improve the overall economic vitality of the City. However, as with the waiver of fees, this tool for economic development cannot be used without incurring costs. Plan review, building inspections and other services associated with administering and enforcing by-laws are still required and must be paid either through tax-supported revenue or by increasing the fees of other service users to move closer to full cost recovery.

SERVICE-BASED BUDGETING AND ANALYSIS

The direction has been to move towards full cost recovery on the Service Based Budget presently being discussed by Council. In moving towards full cost recovery, the *Building Permits and Inspections Service* has been re-examined and updated and is now known

as the *Development Applications, Building Permits and Inspections Service*, for 2009 and beyond. This new service incorporates all of the activities attached to the former *Building Permits and Inspections Service,* as well as land development approval activities formerly attached to the *Planning Service*, and some permit related activities carried out by the Public Works Department. This new Service better represents the true costs and revenues associated with processing building permits and land development applications and approvals.

Because of this change, 2009 will be used as the benchmark year for cost and revenue comparisons for the new *Development Application, Building Permits and Inspections Service,* on a go-forward basis.

Fee Rates in the Downtown

The comprehensive review of the existing Planning, Development and Building Fees By-law in 2005 resulted in a number of fee adjustments. The review also resulted in proposing a 10% discount for Downtown development. The 2008 review recommended that the discount continue. The Planning, Property and Development Department recommends, in order to support the Downtown First policy direction from Plan Winnipeg that all fees and charges regulated and imposed under this by-law continue to be reduced by a flat rate of 10% for the downtown areas defined by By-law 100/2004.

Financial Impact Statement

February 20, 2009

Project Name: **First Year of Program** **2009**

PLANNING, DEVELOPMENT, BUILDING FEES BY-LAW

	2009	2010	2011	2012	2013
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	14,170,750	14,454,165	14,743,248	-	-
Net Cost/(Benefit)	$ (14,170,750)	$ (14,454,165)	$ (14,743,248)	$ -	$ -
Less: Existing Budget Amounts	(13,532,562)	(13,459,462)	(13,274,662)	-	-
Net Budget Adjustment Required	$ (638,188)	$ (994,703)	$ (1,468,586)	$ -	$ -

Additional Comments: Revenues in 2009 are based on an increase for most fees of 11% effective May 1. Existing budgeted amounts are those included in the 2009 - 2011 preliminary budget for the Development Approvals, Building Permits and Inspections service area. Revenues increase by the rate of inflation (assumed to be 2% per annum) from 2010 to 2011 and 2011 to 2012 respectively.

"Original signed by"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:
Consultation with Legal Services

External Consultation With:

THIS REPORT SUBMITTED BY:

Department: Planning, Property and Development
Division: Development and Inspections
Prepared by: Patti Regan, Project Manager 250-5543
Mike McGinn, Manager of Finance 986-5171
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PPD File No.

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ATTACHMENT "A"

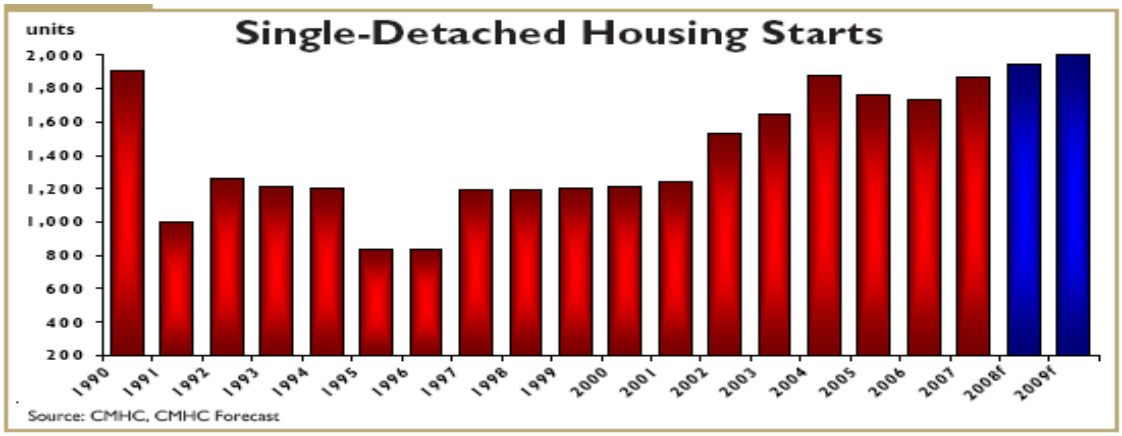
CMHC – Housing Statistics

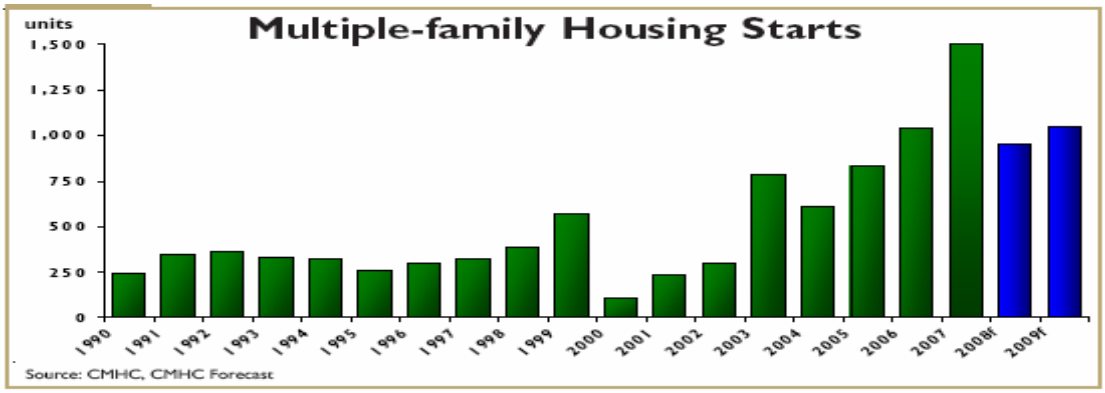
In January 2009 Canada Housing and Renewal Corporation (CMHC) released the 2008 year end stats on housing starts which indicated that for the City of Winnipeg the Single-detached housing starts have remained fairly constant for the last 5 years in the 1,300 to 1,400 range.

Single-Detached Housing Starts (houses):
1,440 in 2004
1,400 in 2005
1,355 in 2006
1,339 in 2007
1,405 in 2008

Multiple family dwelling units housing starts have increased significantly since 2004 – close to 3 times more.

Multiple-Family Housing Starts units (duplexes, town houses, apartments):
573 units in 2004
794 units in 2005
1,028 units in 2006
1,423 units in 2007
1,175 units in 2008





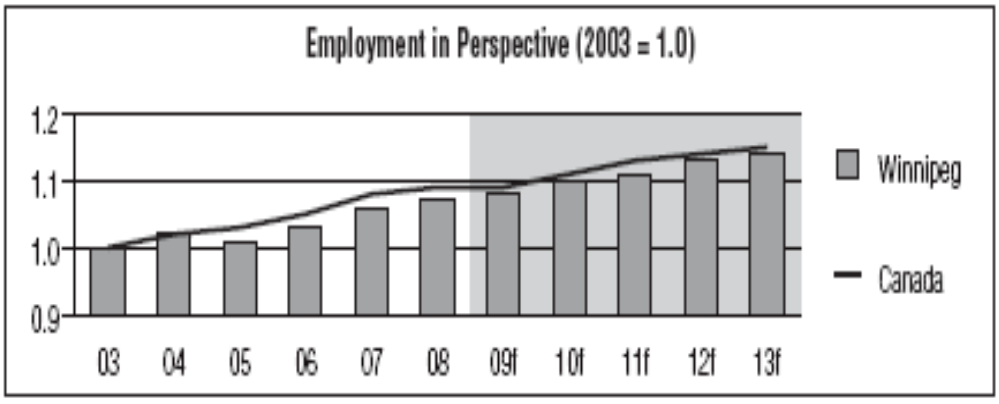
ATTACHMENT "A"

Excerpts from the Conference Board of Canada's Winter 2009 Metropolitan Outlook for the Winnipeg CMA

Overview *Manufacturing and construction, along with services sector strength, will drive Winnipeg's economy in 2009, as an estimated 2.7 per cent advance in gross domestic product (GDP) in 2008will be followed by a similar 2.5 per cent expansion this year. Solid economic growth in recent years has led to steady employment expansion, with more than 20,000 jobs created between 2005and 2008. As a result, net in-migration reached over 7,100 in 2008, easily a record. The resulting housing demand boosted total starts to nearly 3,400 units in 2007 and an estimated 2,950 dwellings in 2008, both well above the previous decade's average. Continued economic advances will attract more newcomers and elevate housing starts over the medium term.*

Winnipeg's economic growth is expected to clock in at 2.5 per cent in 2009, little changed from 2008's estimated 2.7 per cent hike. In turn, ongoing job creation will continue to attract newcomers at a brisk clip, boosting infrastructure requirements and housing starts. A decent medium-term forecast features GDP expanding an average of 2.6 percent annually in 2010–2013.

Economic Indicators	2006	2007	2008	2009f	2010f	2011f	2012f	2013f
Real GDP at basic prices (2002 $ millions)	23,871	24,730	25,388	26,020	26,775	27,536	28,230	28,866
percentage change	*2.4*	*3.6*	*2.7*	*2.5*	*2.9*	*2.8*	*2.5*	*2.3*
Total employment (000s)	382	391	395	401	406	412	417	421
percentage change	*2.0*	*2.2*	*1.2*	*1.4*	*1.2*	*1.5*	*1.2*	*1.1*
Unemployment rate	4.6	4.7	4.2	4.4	4.6	4.5	4.3	4.3
Personal income per capita	33,959	35,600	36,640	38,022	39,221	40,473	41,834	43,379
Population (000s)	708	713	720	728	736	743	750	758
percentage change	*0.4*	*0.7*	*1.1*	*1.1*	*1.0*	*1.0*	*1.0*	*1.0*
Total housing starts (000s)	2.8	3.4	3.0	2.9	3.3	3.5	3.5	3.5
Retail sales ($ millions)	8,276	8,842	9,483	9,962	10,441	10,939	11,490	12,062
percentage change	*5.1*	*6.8*	*7.3*	*5.1*	*4.8*	*4.8*	*5.0*	*5.0*
CPI *(percentage change)*	*1.9*	*2.1*	*2.8*	*2.7*	*1.9*	*2.0*	*2.0*	*1.9*

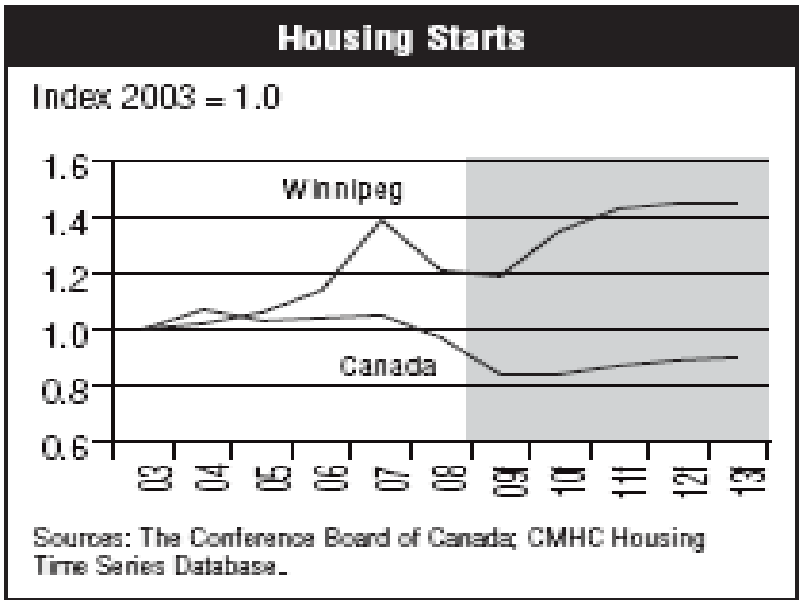


ATTACHMENT "A"

Excerpts from the Conference Board of Canada's
Winter 2009 Metropolitan Outlook for Winnipeg CMA

Construction Cooling *A long list of commercial and infrastructure projects offset a significant decline in housing starts to energize Winnipeg's construction sector in 2008 and will continue to do so in 2009. Canada Post is spending $100 million to build and outfit its new environmentally friendly mail-sorting plant near Winnipeg's airport. As Canada's Post's largest infrastructure investment in 20 years, the facility is expected to be up and running in 2010. Winnipeg intends to spend $327 million on a southwest rapid transit corridor, a dedicated bus way connecting downtown to the University of Manitoba. The corridor's first $138 million phase, to begin construction in 2009, will run 3.6 kilometres between the Forks and Jubilee Avenue. Also, a public-private partnership expects to spend $150 million on new and refurbished athletic facilities at the University of Manitoba. Plans include a new football stadium for the Winnipeg Blue Bombers and the UofM Bisons, improvements to existing track and field facilities, and a new fitness centre. An autumn2010 stadium opening is anticipated. Finally, the city is in the midst of significant capital expenditures; its "roads, bridges, and alleys" capital budget nearly tripled between 2006 and 2008, to roughly $180 million. Major projects include the Chief Peguis Trail and work on the Disraeli Bridges and on the Fort Garry Twin Bridges.*

Brisk housing starts, which had contributed to strong construction growth in recent years, fell an estimated 12.5 per cent in 2008, after hitting a 20-year high of 3,370 units in 2007. Starts are projected to retreat another 2 per cent in 2009, but remain elevated by historical norms. Overall, after rising an estimated 8.3 per cent in 2008 total construction output is forecast to advance a further 2.5 per cent this year.



ATTACHMENT "A"

Population of Winnipeg

Feb, 2008

Prepared by City of Winnipeg -- CAO Secretariat

Estimated Population

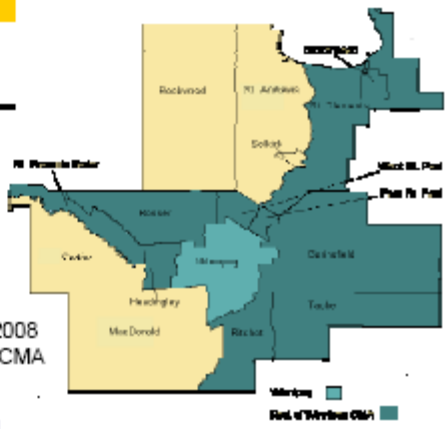
Year (July 1st)	City of Winnipeg	Winnipeg CMA*	Province of Manitoba	City of Winnipeg Population from Census Survey (does not include undercount)
1991	625,200	671,100	1,109,600	615,215
1992	627,400	672,800	1,112,700	--
1993	629,500	675,300	1,117,600	--
1994	630,100	676,900	1,123,200	--
1995	630,200	679,600	1,129,100	--
1996	629,400	678,600	1,134,200	618,477
1997	628,300	678,000	1,136,100	--
1998	628,400	679,000	1,137,500	--
1999	630,700	682,300	1,142,500	--
2000	634,100	686,400	1,147,400	--
2001	637,000	690,100	1,151,300	619,544
2002	639,700	693,700	1,155,600	--
2003	642,700	697,100	1,161,900	--
2004	646,700	702,600	1,170,600	--
2005	647,400	704,500	1,174,200	--
2006	649,300	707,500	1,178,500	633,451
2007**	653,400	712,700	1,186,700	--

City data calculated by subtracting Headingley census count from Census Division 11
Source: Statistics Canada, February 2008
** Preliminary
The most appropriate population figures are the estimated population.

Population Projection

Year (July 1st)	City of Winnipeg	Winnipeg CMA*	Province of Manitoba
2008	658,100	718,500	1,193,900
2009	663,500	724,900	1,204,200
2010	669,100	731,600	1,214,800
2011	675,000	738,700	1,225,700
2012	680,900	745,800	1,236,900

Source: Conference Board of Canada, Metropolitan Outlook data, Winter 2008
City data derived from Conference Board of Canada forecast for Winnipeg CMA



* The census metropolitan area (CMA) of Winnipeg includes the City of Winnipeg and the municipalities of: West St Paul, East St Paul, Headingley, Richot, Tache, Spingfield, Rosser, St Francois Xavier, St Clements, and Brokenhead First Nation.

ATTACHMENT "B"

Number of Permits Issued
Residential and Non-Residential - 1994 to 2008

RESIDENTIAL

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single	1146	733	836	988	940	1088	1195	1224	1659	1742	2162	1896	1774	1634	1741
Semi	4	5	8	30	35	54	19	33	26	81	61	116	42	16	50
Row	14	2	7	14	8	5	12	12	1	40	37	113	180	111	139
Apartment	20	13	7	11	19	16	15	13	12	37	23	38	67	50	46
Alterations/ Additions	3645	3294	2987	2951	4043	3601	3405	3540	4299	3703	4165	4305	4372	4425	4527
Total Residential	**4829**	**4047**	**3845**	**3994**	**5045**	**4764**	**4646**	**4822**	**5997**	**5603**	**6448**	**6468**	**6435**	**6236**	**6503**

NON-RESIDENTIAL

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Alterations/ Additions	2865	2674	2488	2393	2601	2669	3055	2977	2593	2608	2396	2303	2368	2369	2442
Commercial	57	56	38	74	75	103	76	74	59	55	61	72	74	65	67
Industrial	33	37	40	53	56	99	78	41	43	37	41	60	65	31	47
Office	7	5	2	2	8	15	13	9	10	15	16	14	22	15	33
Hotel/Motel	0	0	0	1	1	4	4	4	0	4	0	3	4	2	1
Public Bldgs /Theatres	16	13	25	16	21	27	9	4	4	9	5	3	3	7	15
Institutional	23	14	10	9	13	20	12	7	13	13	10	8	16	17	12
Total Non-Residential	**3001**	**2799**	**2603**	**2548**	**2775**	**2937**	**3247**	**3116**	**2722**	**2741**	**2529**	**2463**	**2552**	**2506**	**2617**
TOTAL	**7830**	**6846**	**6448**	**6542**	**7820**	**7701**	**7893**	**7938**	**8719**	**8344**	**8977**	**8931**	**8987**	**8742**	**9120**

ATTACHMENT "B"

Residential and Non-Residential Permit Values from 1994 to 2008 (Value in $000)

RESIDENTIAL

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Single	99,061	64,248	71,344	82,567	81,644	83,266	96,957	100,892	138,398	149,062	185,640	187,352	181,329	204,541	241,713
Semi	0	800	690	3,985	5,574	3,300	380	2,021	1,393	5,581	2,714	10,490	2,910	1,802	5,793
Row	4,768	2,756	7,041	4,850	968	0	824	2,523	0	3,287	2,202	12,017	23,630	10,733	19,247
Apartment	14,390	12,174	6,900	17,700	25,591	20,506	12,022	18,248	15,067	51,065	46,711	64,881	151,042	152,082	141,391
Alterations/ Additions	26,248	24,644	28,083	25,685	33,194	41,649	42,464	37,453	54,547	44,580	58,208	62,594	86,956	80,259	103,499
Total Residential	**144,467**	**104,622**	**114,057**	**134,787**	**146,971**	**148,720**	**152,648**	**161,137**	**209,405**	**253,574**	**295,474**	**337,335**	**445,867**	**449,417**	**511,634**

NON-RESIDENTIAL

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Alterations/ Additions	111,710	118,426	102,660	142,248	233,897	190,935	199,186	151,117	153,800	268,932	218,041	196,067	219,898	249,438	265,577
Commercial	10,666	12,147	27,740	35,863	34,607	44,669	46,938	31,855	30,106	32,946	39,965	39,189	37,568	61,058	87,273
Industrial	9,004	5,784	14,340	30,269	30,415	43,648	28,928	7,762	17,002	14,464	28,618	39,908	59,689	16,913	50,097
Office	5,474	2,187	150	500	17,685	6,771	5,200	8,471	3,541	8,840	17,223	7,098	19,980	4,262	92,230
Hotel/Motel	0	0	0	450	1,050	10,025	15,575	9,300	0	9,006	0	6,380	1,895	469	64
Public Bldgs /Theatres	2,956	5,789	7,751	5,672	14,315	23,180	2,372	1,005	1,399	37,584	33,910	5,794	1,840	1,370	25,567
Institutional	144,749	23,049	30,124	3,153	21,216	36,211	24,845	2,322	11,775	23,725	41,388	24,581	63,021	60,664	21,369
Total Non-Residential	**284,559**	**167,382**	**182,765**	**218,155**	**353,004**	**355,438**	**323,043**	**211,832**	**217,623**	**395,497**	**379,145**	**319,016**	**403,891**	**394,174**	**542,177**
TOTAL	**429,026**	**272,004**	**296,823**	**352,942**	**499,975**	**504,158**	**475,691**	**372,969**	**427,028**	**649,071**	**674,619**	**656,350**	**849,758**	**843,591**	**1,053,811**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Subdivision Fee Comparisons

WINNIPEG'S PROPOSED FEE CHARGES FOR:

Plans of subdivision
The following fees are hereby imposed with respect to Plans of Subdivision:

(a) DAS fee..... **$ 1323.00**

(b) DASSF fee..... **$ 545.00**

(c) DASZ fees..... **$1323.00**

HAMILTON – Plans of Subdivision.....**$12,660.00**

plus **+ $55.00** Per Unit.....**$.....**

plus **+ $265.00** Per Block.....**$.....**

Total: $.....

SURREY - create one or more lots.....**$1,410.00** plus

for each lot .....**$ 69.00**

Consolidation – no additional lots.....**$1,180.00**

VANCOUVER – up to 43,128 sq. ft. site area.....$**21,500.00**

- plus for each 1080 sq. ft. in area or part.....$**208.00**

NOTE: max. fee.....**$85,600.00**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Subdivision Fee Comparisons (cont'd)

SASKATOON – application fee:.....**$ 500.00**

plus

Per lot:.....**$ 80.00**.....**$.....**

Bare land:.....(to a maximum).....**$3,200.00**

LONDON

Application Fee.....**$5,000.00** plus variable fee

Variable Fee.....**$ 300.00** /ha

WINNIPEG'S PROPOSED FEE CHARGES FOR:

Subdivision agreement amendments

The following fee is hereby imposed for a subdivision agreement amendment.....**$ 626.00**

HAMILTON - Revision Fee.....**$ 1,460.00**

VANCOUVER - **$32,250.00**

LONDON - .....**$ 3,000.00**

SURREY – (has multiple fees for amendments).....**$1,610.00 + $ 745.00 PH**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Consents Fee Comparisons

WINNIPEG'S PROPOSED FEE CHARGES FOR:

Consents

17(1) The following fees are hereby imposed with respect to consents:

(a) Consent application fee.....**$ 395.00**

(b) Certificate of consent, each.....**$ 147.00**

(c) Certified copy of a certificate, each.....**$ 53.00**

HAMILTON

13. Consent Application

Land Division Consent Fee .....(unserviced lot).....**$1,110.00**

Land Division Consent Fee .....(base fee) .....**$ 1,010.00**

LONDON

Consent – initial lot creation.....**$ 1100.00**

Plus each additional lot (same application).....**$ 100.00**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Zoning By-law Amendment Fee Comparisons

WINNIPEG'S PROPOSED FEE CHARGES FOR:

Zoning by-law amendment

23 The following fees are hereby imposed with respect to applications for rezoning of properties or a text amendment to a zoning by-law:

(a) DAZ fee..... **$1,300.00**

(b) Fee for the extension of the time period approved by Council for the coming into force of a zoning by-law amendment **$474.00**

HAMILTON

3. Rezoning Application*

Routine **$2,870.00**

Complex **$4,740.00**

LONDON

Zoning By-law Amendment.....**$2500.00** plus variable fee

Variable Fee - 1-5 ha..... **$ 500.00**

Over 5 ha **$1000.00**

SURREY – (multiple categories)

Minor…base fee……..**$1,940.00** …to…**$2,690.00**…..plus **$21.00 to $69.00** @ unit

Major…base fee……..**$2,690.00** …. plus **$0.040 to $0.298** max. sq. meters

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Development Permit Fee Comparisons

Development Permits for Commercial –type buildings
WINNIPEG'S PROPOSED FEE CHARGES FOR:

The following fees are hereby imposed for site **development permits** other than for single-family and two-family dwellings:

(a) New site developments or new construction **$302.00**

(b) Site redevelopments or additions or exterior alterations to existing buildings..... **$151.00**

EDMONTON

up to 500 m2.....**$650.00**
PLUS – each additional 100 m2.....**$ 41.00**

CALGARY - DOWNTOWN

$0.85 per square metre of gross floor area
(Downtown – min. $1,547.00) plus
$180.00 development completion permit.....**$_____**

CALGARY - OTHER AREAS

$0.59 per square metre of gross floor area
(Downtown – min. $1,547.00) plus
$180.00 development completion permit.....**$_____**

VANCOUVER – approx. range of .....**$ 512.00 –to- $48,300.00**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Development Permit Fee Comparisons (continued)

Development permits for single-family and two-family dwellings

61 The following fees are hereby imposed for development permits for single-family and two-family dwellings, to construct:

1) Development permits **base fee**	**$111.00**
2) **Plus the following**:	
a) New, 180 m2 or less in total area	**$ 28.00**
b) New, 181 m2 or more in total area	**$ 56.00**
c) Additions to existing principal buildings	**$ 28.00**
d) New accessory buildings, each	**$ 28.00**
e) Additions to accessory buildings, each	**$ 17.00**

EDMONTON.....**$ 260.00**

CALGARY.....NEW.....**$ 871.00. plus $204.00**

.....ADD....10 sq. metre or under.....**$ 283.00** plus **$144.00**

.....ADD....over 10 sq. metres.....**$ 458.00** plus **$ 144.00**

***plus fee is a Development Completion Fee**

VANCOUVER.....new and/or adds...5 categories **$ 1370.00 –to- $1910.00**

TORONTO.....**$12,366.00**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

Residential Building Permit Comparisons

WINNIPEG : Current method of calculating permit fee

Residential dwelling construction
105 The following fees are hereby imposed per square meter for permits for the construction of or an addition to a single family dwelling or a two-family dwelling:

Habitable (finished and unfinished) space **$2.28/ sq. m**

EXAMPLE FOR WINNIPEG

Typical House.....1500 sq. feet.....with attached 900 sq. foot garage

2400 sq.feet of habitable space ..... 223 sq. m x 2.28...= **$ 508.44**

Residential Service Index in other municipalities

HAMILTON..... $ 10.52 @ m sq.

LONDON..... $ 7.30 @ m sq

BRAMPTON..... $10.50 @ m sq (minimum $1,000)

MARKHAM..... $ 10.18 @ m sq

TORONTO..... $14.46@ m sq

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

RESIDENTIAL BUILDING PERMIT FEE COMPARISONS

CITY	PERMIT FEE
WINNIPEG	**$ 508.44**
HAMILTON	**223 m sq. x $ 10.52@ m sq. $ 2,345.96**
EDMONTON	**(graduated scale for fees) $ 1,292.00**
LONDON	**223 m sq. x $ 7.30 @ m sq $ 1,627.90**
BRAMPTON	**223m sq. x $10.50 @ m sq $ 2,341.50**
MARKHAM	**223 m sq. x $ 10.18 @ m sq $ 2,270.14**
TORONTO	**223m sq. x $14.46 @ m sq $ 3,224.58**
CALGARY	"Value of Construction"
OTTAWA	"Value of Construction"
REGINA	"Value of Construction".
VANCOUVER	"Value of Construction"
SASKATOON	"Value of Construction".

ATTACHMENT "C"

COMMERCIAL BUILDING – "SERVICE INDEX" COMPARISONS

SERVICE INDEX FACTORS Fees per square meter	WINNIPEG	HAMILTON	TORONTO
GROUP A (Assembly Occupancies)			
Open-air structures, covered or uncovered (e.g. patios)	$13.43	**$120.00 (flat fee)**	**$24.10**
Places of Worship, Funeral Homes	$16.12 $18.80	**$11.12**	**$24.10**
Recreation Facilities, Schools, Libraries, Private Clubs		**$14.92**	**$24.10**
Restaurants, Dining Facilities, Cafeterias, Food Preparation/Cooking Areas			
- 280.0 m2 or less	$13.45		
- 280.1 m2 to 850.0 m2	$17.46	**14.92**	**$20.17 (shell)**
- more than 850.0 m2	$22.83		
All other Group "A" Buildings			
- 4645.0 m2 or less	$20.15		
- more than 4645.1 m2	$24.18	**14.92**	**$24.10**
GROUP B (Care or Detention Occupancies)			
"B 1" – persons under restraint: security measures not under their control	$30.89	**14.70**	**$25.64**
"B 2" – person with cognitive or physical limitations: require special care or treatment	$28.21	**14.70**	**$25.64**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

GROUP C (Residential Occupancies)	**WINNIPEG**	**HAMILTON**	**TORONTO**
Multiple family dwellings and apartments up to three storeys in height	$ 9.40	**$10.52**	**$14.46(townhouses) $22.89(all other) plus $43.88 / unit**
Apartment buildings more than three and less than ten storeys in height	$ 9.40	**$10.32**	
Apartment buildings ten storeys or more in height	$13.43	**$10.32**	
Hotels/Motels four storeys or less in height	$10.74	**$12.35**	**$22.89**
Hotels/Motels more than four storeys in height	$13.43	**$12.35**	**$22.89 plus $43.88 / unit**
GROUP D (Business & Personal Services Occupancies)		**RANGE OF TYPES**	
Group "D" buildings, 7500 M2 or less in total area	$8.47	**$9.13 –to- $11.04**	**$15.15**
Group "D" buildings, over 7500M2 in total area	$9.97	**$12.07 -to- $14.14**	**$19.05**

ATTACHMENT "C"
2009 Fee Comparisons
Winnipeg Against Other Major Canadian Cities

		HAMILTON	TORONTO
GROUP E (Mercantile Occupancies)			
Group "E" buildings, 7500 M2 or less I total area	$ 6.05	**$ 7.57**	**$12.28**
Group "E" buildings, over 7500 M2 in total area	$ 7.55	**$10.15**	**$16.18**
GROUP F (Industrial Occupancies)	**Proposed**		
High Hazard			
Group "F 1" buildings	$ 7.46		
Medium Hazard		**All Group F :**	**Shell:**
Group "F 2" buildings 7500 M2 or less	$ 5.46	**$7.61 < 4650 M2**	**$9.64 < 7500 M2**
Group "F 2" buildings over 7500 M2	$ 7.46		**$7.80> 7500 M2**
Low Hazard		**$ 5.28 > 4650 M2**	**Finished:**
Group "F 3" buildings 7500 M2 or less	$ 4.84		**$13.25< 7500 M2**
Group "F 3" buildings over 7500 M2	$ 6.31		**$11.70> 7500 M2**

ATTACHMENT "D"

2009 Planning Development and Building Fees Review
Proposed New Fees and Revisions to Existing Fees

Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Division Two - Refunds			
Refunds – total fees and charges of $99.99 or less 9 Where: (a) an application for an authorization, permit, license, certificate or service referred to in this By-law is withdrawn; and (b) total fees for the application are $99.99 or less; the total fees paid by the applicant must be refunded upon request, subject to the following administration fee	$22.00	Revision	Refunds Section - Fees refined to better reflect operation and to move towards full cost recovery
Refunds – total fees and charges of $100.00 or more 10 Subject to this section, where an application for an authorization, permit, (except for building, demolition and building trades permits,), license, certificate or service referred to in this By-law is withdrawn and total fees for the application are $100.00 or more following percentage of the total fees paid by the applicant must be refunded upon request	75%		

ATTACHMENT "D"

Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Refunds – building and demolition 11 Where an application for a permit , other than building trades, is withdrawn and the total fees for the application are $100.00 or more, the following percentage of the total fees paid by the applicant must be refunded upon request **Refunds – building trades** 12 Where an application for a building trades (electrical, mechanical, plumbing) permit is withdrawn and the total fees for the application are $100.00 or more, the following percentage of the total fees paid by the applicant must be refunded upon request **Refunds – review policy** 13 Refunds shall be provided upon completion of a review, documentation and acceptance by all departments and branches, as to the amount to be refunded and ensuring City costs have been recovered.	40% 50%		
Division Three – Fees General 14(a) The charge for any services provided, document produced, permit obtained, that has not be indicated in this by-law, shall not be less than the "MINIMUM FEE" of 14(b) The fee for any service provided, document produced, permit obtained and not	$111.00	New	New fee proposed to recover costs associated with as existing service

Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
shown or indicated in this By-law shall be based on fair and equitable value while ensuring that the City can recover the costs associated with providing and delivering this service.			
Heritage Certificates 34 The following fee is hereby imposed to conduct a heritage plan review and the issuance of a Heritage Certificate	$132.00	New	New fee proposed to recover costs associated with an existing service
Inspections required, requested, deemed necessary 41 Unless otherwise indicated, where an inspection is requested, required, deemed necessary, by the Designated Employee and takes place during office hours, 8:30 a.m. – to - 4:30 p.m. – Monday –to- Friday (except holidays) in regards to PART 2 – to - PART 9 of this By-law, the following fees shall be imposed for: b) for each additional hour or portion thereof	$89.00	New	New fee proposed to recover costs associated with an existing service
Part 4 - Subdivisions **Subdivision Park Plan Reviews** 48 The following fee is hereby imposed for the review of the plan for a park, required as a condition of a subdivision	$300.00	Revision	Existing fee increased beyond 11% to recover costs associated with providing the service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Subdivision Landscape Equivalencies 49 The following fee is hereby imposed for the review of landscape equivalencies	$300.00	New	New fee proposed to recover costs associated with an existing service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 6 - Development 61 The following fees are hereby imposed for development permits for single-family and two-family dwellings, to construct:			
(1) Development permits base fee	$111.00	Revision	Change to format of an existing fee to better reflect operation
(2) Plus the following: (a) New , 180 m 2 or less in total habitable area	$28.00		
(b) New, 181 m 2 or more in total habitable area	$56.00		
(c) Additions to existing principal buildings	$28.00		
(d) New accessory buildings, each	$28.00		
(e) Additions to accessory buildings, each	$17.00		
64 The following fees are hereby imposed for development permits for each: (a) Awning	$75.00	New	Addition of a fee for specific types of installations
(b) Canopy	$75.00		
Development permits for signs 65 In addition to the fees for signs imposed by Parts 5, 9 and 14 of this By-law, the following fees are hereby imposed for a development permit for the following signs:		Revision	Existing fee increased beyond 11% to recover costs associated with providing the service Change to format of an existing fee to better reflect operation

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
(a) Free standing, Mansard roof, Projecting signs	$ 80.00		
(b) Awning, Canopy signs	$ 80.00		
(c) Other structural, structural supported signs, each	$ 80.00		
(d) All other types of signs	$ 40.00		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 7 – Variance and Conditional Use			
Site plan reviews 77 The following fees are hereby imposed for a site plan review:		New	New fee proposed to recover costs associated with an existing service
(b) Design review, in regards to zoning agreements	$167.00		
(c) For the second (2nd) and each subsequent review conducted, same application, either for number (a) or (b).	$167.00		
Master plan review – E/I districts 78 The following fees are hereby imposed with respect to each review of a master plan for an Educational/Institutional districts:	$1,000.00	New	New fee proposed to recover costs associated with an existing service
Master plan second and subsequent reviews 79 For a second (2nd) and each subsequent review of a Master Plan, on the same application:	$750.00	New	New fee proposed to recover costs associated with an existing service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 7 – Variance and Conditional Use (cont'd)			
Development applications for urban design review 84(2) The following fees are hereby imposed for Provencher Boulevard development applications for urban design review pursuant to the Winnipeg Zoning By-law:		New	New fee proposed to recover costs associated with an existing service and to ensure consistency with charges for similar services
(a) for a new building	$508.00		
(b) for signs only	$100.00		
(c) for all other development applications	$203.00		
84(3) The following fees are hereby imposed for development applications for urban design review, pursuant to the Winnipeg Zoning By-law, that have been deemed as a required review by The Designated Employee:		New	New fee proposed to recover costs associated with an existing service
(a) for a new building	$508.00		
(b) for signs only	100.00		
(c) for all other development applications	$203.00		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 7 – Variance and Conditional Use (cont'd) **Zoning letters** 85 The following fees are hereby imposed for zoning letters: (e) Lot of record search	$360.00	New	New fee proposed to recover costs associated with an existing service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 9 – Signs – Awnings – Canopies **Structural signs, non – structural signs, awnings, canopies** 93 The following fees are hereby imposed, pursuant to the Building By-law, to place, erect, construct, locate, install a: (a) Free standing sign, 243.4 cm (8 feet) or less in height, each (b) Free standing sign, over 243.5 cm (8 feet, 1 inch)in height, each (c) Mansard roof sign, each (d) Projecting sign, each (e) Awnings, similar types of structures, equipment (f) Canopies similar types of structures, equipment (g) Other structural, structural supported signs, each (h) Other types of signs:	 $175.00 $200.00 $165.00 $165.00 $180.00 $180.00 $165.00 $150.00	Revision	Some elements of fee category redefined for clarity. Fee increase beyond 11% to better reflect actual costs of providing the service.

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 9 – Signs – Awnings – Canopies (cont'd) **Sign face replacements** 94 The following fee is hereby imposed for: (a) One (1) sign face replacement, same site, same type, same application (b) Each additional sign face replacement, for the same site, same type, same application	 $100.00 $ 25.00	Revision	Fee increase beyond 11% to better reflect actual costs of providing the service.

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 11 – Documents – Records – Information			
Fees for photocopies 103 In addition to any other fees imposed by this By-law, the following fees are hereby imposed for photocopies made by a City employee at the request of an applicant in relation to the activities addressed in this By-law:		Revision	Existing fee category redefined to more accurately reflect the services provided and the associated costs
(c) Minimum charge of	$5.00		
Single permit activity and statistical reports 106 The following fees are hereby imposed in regards to the request for a single, standard report, each	$50.00	Revision	Existing fee category redefined to more accurately reflect the services provided and the associated costs.
Periodic permit activity and statistical reports 107 The following annual fees are hereby imposed in regards to the request for permit activity and statistical, standard, recurring reports:		Revision	Existing fee category redefined to more accurately reflect the services provided and the associated costs.
(a) annual report, each	$50.00		
(b) semi-annual report, for one calendar (1) year, each	$70.00		
(c) quarterly for one calendar (1) year, each	$120.00		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 11 – Documents –Records – Information (cont'd)			
(d) monthly,, for one calendar (1) year, each	$300.00		
(e) weekly for one calendar (1) year, each	$800.00		
(f) daily, for one calendar (1) year, each	$2,000.00		
Digital information – custom design, production, application 108 The following fees are hereby imposed in regards to the development, creation, provision, delivery. of digital information and copies thereof and that reflects the an time, resources, expertise required and expended by City employees to provide the requested, required digital information and copies thereof;		Revision	Existing fee category redefined to more accurately reflect the services provided and the associated costs
(a) for each person and first hour or portion thereof,	$100.00		
(b) for each additional hour or portion thereof,	$80.00		
(c) minimum fee for each request,	$100.00		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 12 – Plan Review Services **Building Code Plan Examination – Preliminary Plan Reviews** 112 For a preliminary project review, equivalence presentation, or similar type of meeting, discussion, review, the following fees are hereby imposed and payable in advance for each plan examiner and/or City staff member required to attend: (a)(i) Schedule meeting – Base fee (ii) Base fee payable at time of scheduling meeting - plus - (b)(i) Per person (City staff, consultant), each hour or portion thereof (ii) Hourly rate charges payable at conclusion of meeting **Cancelled or missed meetings** 113 For meetings that are scheduled and missed or cancelled without advanced, 24- hour notice or reasonable explanation, shall forfeit the minimum fee.	$120.00 $100.00	New New	New fee proposed to recover costs associated with an existing service New fee proposed to recover costs associated with an existing service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 13 – Commercial Building Permits **Building permit fees for new buildings, building shells, additions** 118(1) Unless otherwise specified in this By-law and subject to this section, the following fees per square meter of the total building area based on the major building classification for each permit as determined by the Manitoba Building Code and per square meter of total building area are hereby imposed for permits for the construction of new commercial buildings, building shells or additions to commercial buildings that fall within the scope of Part 9 or Part 3 of the Manitoba Building Code:		Revision	Existing fee category redefined to more accurately reflect the services provided the associated costs
Business and Personal Services Occupancies Group D - 7500 M2 or less in total area - over 7500 M2 in total area	$ 9.40 $11.00		
Mercantile Occupancies Group E - 7500 M2 or less in total area - over 7500 M2 in total area	$ 6.72 $ 8.38		
Industrial Occupancies - High hazard Group "F1" buildings Medium Hazard Group "F2" buildings	$ 8.28		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
- 4500 M2 or less in total area - over 4500 M2 in total area Low Hazard Group "F3" buildings - 7500 M2 or less in total area - over 7500 M2 in total area 118 (2) Where s building is constructed as a "shell only" building, the service index factors used for calculations of permit fees, shall be the **"SERVICE INDEX FACTORS"** shown previously in the tables above.	$ 6.06 $ 8.28 $ 5.37 $7.00	Revision	Existing fee category redefined to more accurately reflect the services provided the associated costs
Part 14 – Demolition Permits **Commercial demolition plan review fees** 128(1) The following fees are hereby imposed for each plan review conducted regarding commercial demolitions 128(2) The plan review fees shall be paid prior to any plan review being conducted.	$111.00	New	New fee proposed to recover costs associated with an existing service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 15 – Electrical Permits – Licenced Contractors			
Electrical equipment 135 The following fees are hereby imposed for permits to install commercial electrical equipment and electrical equipment associated with residential dwelling units but not contained within the dwelling unit:		Revision	Existing fee category redefined to more accurately reflect the services provided the associated costs
(a) Low Voltage (750 V or less) service and distribution boards, enclosed switches (fused disconnect switches & molded case circuit breakers), motor control centers, CSTE's (Customer Service Termination Enclosures) and splitters			
(i) Less than 400 Amps For one item For each additional item/ permit	 $ 89.00 $ 67.00		
(ii) 400 Amps to 1000 Amps For one item For each additional item/ permit	 $167.00 $100.00		
Electrical life, health and fire safety systems 136 The following fees are hereby imposed for permits to install electrical life, health and fire safety equipment and systems:		Revision	Existing fee category redefined to more accurately reflect the services provided the associated costs

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
(a) Control panel and/or annunciator, each	$ 56.00		
(b) For each: (i) Fire alarm system device, (ii) Audible and visual signal device, (iii) Detection device (carbon monoxide, smoke, methane), (iv) Pull station, (v) Sprinkler/standpipe flow, supervisory, or similar device (vi) Nurse call system device, (vii) Smoke alarm,	$ 4.50		
Raceway installations 137 The following fees are hereby imposed for permits to install empty raceways:		New	New fee proposed to recover costs associated with an existing service
(a) 60 metres or less	$ 28.00		
(b) Over 60 metres to 300 metres	$ 56.00		
(c) Over 300 metres	$111.00		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 16 – Plumbing Permits – Licenced Contractors **Commercial Plumbing Permits** 153 Potable water fixture supply, hot, cold, recirculation piping: (a) New potable water, fixtures supply hot, cold, recirculation piping (b) Re-piping of existing potable water future supply hot, cold, recirculation piping for each suite (c) Re-piping of existing potable water future supply hot, cold, recirculation piping: (i) for each floor or portion thereof (ii) added inspection fee, each floor level	 N/A $139.00 $444.00 plus $56.00	New	New fee proposed to recover costs associated with an existing service
Part 18 – Occupancy Permits **Occupancy permits** 160 The following fees are hereby imposed for a building occupancy permit, each request: (a) Building occupancy permit final (i) Construction of a new building,		Revision	Existing fee category redefined to more accurately reflect the services provided the associated costs

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
addition (ii) Each new tenant in a building (condominium tenants excluded). (iii) All other types of occupancy not indicated in (b) –to- (f)	$ 287.00		
(b) Interim / conditional The following fees are hereby imposed for an interim **/**conditional building occupancy permit, for each request:	$180.00		
(c) Condominium base building final The following fees are hereby imposed for a condominium base building occupancy permit, each request.	$287.00		
(d) Condominium tenant The following fees are hereby imposed for condominium tenant occupancy permit, for each tenant, for each request:	$111.00		
(e) Special events The following fees are hereby imposed for each request for a special events occupancy permit, for each 3-month period or portion thereof	$180.00		
(f) Temporary building The following fees are hereby imposed for a temporary building occupancy permit, for each request,			

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
(i) for each 12-month period or portion thereof	$180.00		
(ii) for a three (3) year period or portion thereof	$361.00		
(iii) no refunds shall be provided.			
Inspections in regards to occupancy 161 The following fees are hereby imposed for an inspection that is requested, required, conducted, for any type of occupancy that is in addition to regular, scheduled, occupancy inspections:		New	New fee proposed to recover costs associated with an existing service
(i) each inspector, first (1st) hour or portion thereof	$111.00		
(ii) each additional hour or portion thereof	$ 89.00		
Occupant load and placard 162 The following fee is hereby imposed for an application to establish an occupant load, the occupant load placard request base fee is payable at the time of application:		New	New fee proposed to recover costs associated with an existing service
(b) each inspection conducted, each plan examination review conducted			
(i) first (1st) hour	No charge		
(ii) each hour or portion thereof, after 1st hour	$ 89.00		

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Administrative and Clerical 163 The following fees are hereby imposed for a for the services of the enforcement coordinator and/or the occupancy clerk : (i) first (1st) hour (ii) combined process time, each fifteen (15) minutes or portion thereof	 No charge $ 28.00	New	New fee proposed to recover costs associated with an existing service

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Part 19 – Inspections **Inspections conducted during office hours** 166 The following fees are hereby imposed for:			
(a) **Standard** - an inspection in regards to a request, required by Code or By-law, or deemed necessary by the Designated Employee, to ensure compliance with matters related to life, fire, safety, health and Code and By-law requirements:		New	New fee proposed to recover costs associated with an existing service
(i) for the first hour or portion thereof	$111.00		
(ii) for each additional hour or portion thereof	$ 89.00		
(i) **Permit not sought -** an inspection for a building, structure, system, equipment or property for which a permit has not been sought, but has been requested, deemed necessary, to ensure life, health, safety and fire violations be noted, identified, and corrected.		New	New fee proposed to recover costs associated with an existing service\
(i) for each hour or portion thereof, for each inspector involved	$ 89.00		
Inspection fees shall be charged to the "Person Responsible", "Property Owner", "Person			

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Permit Category and Type	Proposed Fee	New or Revision	Comments/ Rationale
Requesting Inspection", as determined by The City of Winnipeg and as indicated in The City of Winnipeg Building By-law. **No specified inspection fee** 167 For an inspection service where no specific fee is indicated each hour or portion thereof: (i) for the first hour or portion thereof (ii) for each additional hour or portion thereof	 $111.00 $ 89.00	 New	 New fee proposed to recover costs associated with an existing service
Inspection time calculated 168(a) Unless otherwise indicated, inspection fees and fees for service, are calculated for each hour or portion thereof. 168(b) Inspection time includes the traveling time from the office to and from the work-site.		New	New fee proposed to recover costs associated with an existing service

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