

# NOTICE OF PUBLIC MEETING

A Public Meeting will be held by the Development Services Committee of the City of Markham to consider a proposal to amend or replace the following fee by-laws:

- Building By-law 2019-20, being a by-law respecting construction, demolition and change of use permits and inspections, and
- Development By-law 211-83, being a by-law to prescribe a tariff of fees for processing of planning applications.

Information will be presented explaining the proposed fee changes. Any person may make a representation regarding the proposed changes at this meeting.

**DATE:** Tuesday, December 3, 2019 | **TIME:** 7:00 p.m.

**PLACE:** Council Chambers, Anthony Roman Centre,  
101 Town Centre Boulevard Markham, Ontario, L3R 9W3

## **BUILDING BY-LAW**

The City of Markham proposes to repeal By-law 2019-20 enacted under section 7 of the Building Code Act, and to enact a new building by-law for the issuance of permits and related matters, including the establishment of a revised fee schedule.

The City reviews and adjusts building permit fees annually to ensure they meet but do not exceed the anticipated reasonable costs to administer and enforce the Act within its jurisdiction. The City's fee model includes a thorough analysis of the direct and indirect costs associated with the administration and enforcement of the building code. The proposed amendment will adjust fees to reflect anticipated costs in 2020.

### **Purpose and Effect of the Proposed Changes**

- An increase of 5% from the 2019 fees, to reflect the anticipated costs of administering and enforcing the building code and to maintain a reserve;
- An increase in certain administrative fees for compliance letters, zoning inquiries and dormant inspections.

## **DEVELOPMENT BY-LAW**

Under the Planning Act, a municipality can charge fees for anticipated costs in providing a service. The projected costs for administering planning applications have increased from the previous year.

The City proposes to amend By-law 211-83 to increase the majority of the fees to ensure costs are covered and to maintain an adequate reserve. Other minor changes to the structure of the by-law are also being proposed.

## **ADDITIONAL INFORMATION**

Additional information relating to the Building By-law is available from:

**Chris Bird, Director Building Standards (905.475.4716)**

and for the Development Fee by-law is available from

**Biju Karumanchery, Director,  
Planning & Urban Design  
(905.477.7000, extension 4713).**





BUILDING A GREATER GTA  
Building Industry and Land  
Development Association

November 25, 2019

Mayor Scarpitti and Members of the Development Services Committee  
City of Markham  
101 Town Centre Boulevard  
Markham, Ontario  
L3R 9W3

Mayor Scarpitti and Development Services Committee Members,

Re: 2020 Development Fee and Building Fee By-law Update

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*With more than 1,500 member-companies, BILD is the voice of the land development, home building and professional renovation industry in the Greater Toronto Area and Simcoe County. Our industry is essential to the City of Markham's long-term economic strength and prosperity. In 2018 alone, the residential construction industry in Markham generated over 13,000 on-site and off-site jobs in new home building, renovation and repair – one of the City's largest employers. These jobs paid \$842 million in wages and contributed \$1.7 billion in investment value to the local economy.*

BILD is in receipt of the City of Markham report to Development Services Committee dated November 25, 2019 that introduces increases to the City's Development and Building Fees. We are aware that a public meeting regarding the proposed fees may be held on December 3, 2019, subject to the Committee's authorization. In advance of a scheduled public meeting, BILD, on behalf of its York Chapter members would like to provide the Committee members and City staff with our initial thoughts and position of the matter.

While the fee increases will affect both the Building fees and the Development fees, our comments are directed primarily at the proposed Development fee increases which we consider to be alarmingly high, especially given the year-over-year double digit increases our members have witnessed in the City. In this report, Development Services staff are recommending a 10% increase for planning and urban design fees as well as a 10% increase for engineering fees for the 2020 year. This follows a 10% increase approved by Council in 2019. Prior to this, a 19% increase was approved by Council in 2018. Should the 2020 rate schedule be adopted, the industry would see a compounded increase of 39% in these fees, relative to 2017 rates. Again, these unprecedented increases in cost are not sustainable in current market conditions and only further challenges affordability, all while units in Markham presently face one of the highest fee structures in the GTA.<sup>1</sup>

While BILD and members appreciate being notified of staff's intentions to further increase fees for 2020, insufficient time and information was provided to meaningfully discuss and understand these changes. We continue to be concerned with the justification for these increases to resolve historic revenue and expenditure deficits and maintain adequate reserve balances. As expressed previously to Council and staff, we object to this in principle and submit that it is not reasonable to expect new homeowners and businesses of Markham to compensate for the shortcomings of the City's historical fee structure. We do however appreciate that increased fees can be expected and submit that a more reasonable fee increase

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<sup>1</sup> Government Charges and Fees on New Homes in the Greater Toronto Area, Altus - May 2018

tied to inflation, and similar to the Building fee increase, would be appropriate for the Development Fee increases. We are aware that some significant development has been slow to materialize, but believe a low or nil reserve is expected in this case and will be replenished in the forthcoming years as this development proceeds.

**We respectfully ask that Committee to defer the public meeting and not impose further increases to the development fees in 2020 until there is sufficient time for material discussions between BILD, its members and staff to take place.**

Sincerely,



Carmina Tupe, MCIP, RPP  
Planner, Policy and Government Relations BILD

CC:     *Arvin Prasad, City of Markham*  
          *Mike McLean, BILD York Chapter Co-Chair*  
          *Gabe DiMartino, BILD York Chapter Co-Chair*  
          *BILD York Chapter Members*

**Suggested Draft Resolution for Consideration of the Development Services  
Committee**

- 1) That the Record of the Public Meeting held on December 3, 2019, with respect to the proposed amendments to the Development and Building Fee By-laws be received; and,**
- 2) That the amendment to By-law 211-83, as amended, “Tariff of Fees for the Processing of Planning Applications,” substantially in the form attached as Attachment A, be enacted; and,**
- 3) That By-law 2017-150 as amended be repealed and the attached “By-law respecting Construction, Demolition and Change of Use Permits and Inspections,” attached as Attachment “B”, be enacted; and,**
- 4) That the By-laws come into force and take effect on January 1, 2020; and further,**
- 5) That Staff be authorized and directed to do all thing necessary to give effect to this resolution.**

**(By-law 2019-XXX and 2019-XXX)**