



**MEMO to
Development Services Committee**

TO: Mayor & Members of Council

C. Andy Taylor, CAO

FROM: Arvin Prasad, Commissioner, Development Services

PREPARED BY: Brian Lee, Director, Engineering, x7507
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DATE: May 11, 2020

Re: **Fee Deferral: Tariff of Fees for the Processing of Planning Applications & Fees or Charges for Services or Activities Provided or Done by the City (City Wide)**

Recommendations

1. That the staff memo entitled “Fee Deferral: Tariff of Fees for the Processing of Planning Applications & Fees or Charges for Services or Activities Provided or Done by the City (City Wide)” be received; and
2. That (a) the *Tariff of Fees for the Processing of Planning Applications* in By-law 211-83 as amended by By-law 2019-137, and (b) *Fees or Charges for Services or Activities Provided or Done by the City* in By-law 2002-276 be amended as outlined in this memo to provide financial relief to the development industry; and
3. That By-law 2002-276 be amended to reflect the 2020 annual adjustment for the Residential Infill Grading and Servicing (RIGS) fee from 26% to 28.6% ; and
4. That the relevant by-law amendments be brought forward to the next Council meeting for enactment; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Background

Due to the COVID-19 pandemic, Council approved a number of financial relief measures at its March 27, 2020 meeting, including:

- Water Rate By-law Amendment
- Municipal Accommodation Tax By-law Amendment
- Stormwater By-law Amendment
- User Fee By-law Amendment

The development industry has also approached City staff requesting any possible financial relief.

Discussion

The Development Services Commission is funded from development application fees and development charges with a small component that is tax funded. With the COVID-19 pandemic causing negative financial impact to the community, Council has asked staff to explore ways to provide financial relief. Staff has also received requests from the development industry and from homeowners who are requesting municipal service connections for in-fill development to postpone payment of fees.

While postponement of fees will mean that the City will be upfront on these amounts, the recommended fee deferrals are restricted to the remainder of this year. All fees that are supposed to be paid in 2020 will have to be paid before the end of the year.

Staff is recommending that the Treasurer, upon the advice of the CAO and Commissioner of Development Services, be authorised to defer fees or charges. The deferral is to the earlier of:

- (a) For Processing of Planning Applications: The day prior to the approval of the planning application or a date within the 2020 calendar year, whichever is earlier; and
- (b) For Residential Infill Grading and Servicing (RIGS): The day prior to the City's award of the contract for the service connection work or December 31, 2020, whichever is earlier.

In addition, the party requesting the fee deferral will be required to enter into an agreement with the City regarding the payment of the fees to the satisfaction of the City Solicitor. It is also recommended that the authority to execute fee deferral agreements be delegated to the Treasurer and Commissioner of Development Services.

Staff is also recommending that the fee for Residential Infill Grading and Servicing (RIGS) be amended to reflect the 2020 annual increase from 26% of the Total Cost of Works to 28.6% of the Total Cost of Works.

Financial Considerations

To date the Commission has only received 3 fee deferral requests for a total of \$1.5M, and given that fees are only allowed to be deferred, at the latest, to the end of the year, staff is comfortable that the financial impact will be minimal.

Attachments:

- Attachment A - A By-law to amend By-law 211-83, as amended, being a by-law to prescribe a Tariff of Fees for the Processing of Planning Applications.
- Attachment B - A By-law to amend By-law 2002-276, being a by-law to impose fees or charges for services or activities provided or done by the City of Markham