



Report to: General Committee

Meeting Date: February 11, 2025

SUBJECT: New User Fees
PREPARED BY: Jay Pak, Senior Manager Financial Planning and Reporting
Ameen Khan, Manager, Operating Budgets

RECOMMENDATION:

- 1) That the report titled “New User Fees” be received; and,
- 2) That the new user fee, permit and fines as outlined in Appendix A be approved; and
- 3) That By-Law 2012-137, Licensing, Permit and Service Fees be amended to reflect the proposed fee changes as outlined in Appendix B (Table 1.1); and,
- 4) That By-Law 2002-276, To Impose Fees and Charges for Services or Activities provided or done by the City of Markham, be amended to reflect the proposed fee changes as outlined in Appendix B (Table 1.2); and,
- 5) That Schedule A of By-Law 2018-109, a by-law to regulate the use, alteration, and occupancy of highways within the City of Markham be amended with changes as outlined in Appendix B (Table 1.3); and further,
- 6) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of the report is to obtain Council approval on the introduction of new user fees based on the City’s priorities, business requirements and operational needs as outlined in Appendix A – Schedule of New Fees.

BACKGROUND:

As per the City’s regular practice, the City’s user fees, permits and fine rates (“fees”) are reviewed and adjusted annually to incorporate changes based on the greater of Consumer Price Index (CPI) or escalating operating pressures including CUPE, Cost of Living Adjustments (COLA), utility rates and credit card merchant charges, where applicable. Fees are also reviewed for market competitiveness, as part of the City’s Excellence Through Efficiency and Effectiveness (E3) Program. The City’s fees are benchmarked against the relevant comparators, with the goal being to adjust the City’s fees at a minimum to be equivalent to the highest of the comparators. These administrative adjustments are factored into regular business processes, including the budget process.

As part of the recent market reviews undertaken by departments, City staff have identified opportunities to harmonize with peer jurisdictions where appropriate and introduce new fees that support delivery of the City’s program goals, policy priorities and business

requirements. The proposed fees align with comparators and factor in recovery of eligible costs, where appropriate.

DISCUSSION:

Based on this analysis, six departments have identified a total of 47 new fees to be included in the City's user fee by-laws as outlined in the table below:

Commission	Department	Fee Changes Requested
Community Services	Operations	4
	Environmental Services -	
	Waterworks	2
Community Services Total		6
Corporate Services	By-Law and Regulatory Services	3
Corporate Services Total		3
Development Services Commission	Arts Centres	11
	Museum	14
Development Services Commission Total		25
Office of the CAO	Fire and Emergency Services	13
Office of the CAO Total		13

*For details related to new fees, see Appendix A – Schedule of New Fees.

Summary of Proposed Fee Changes by Department

Operations:

Proposing to introduce 4 new road occupancy fees, and requisite fee descriptions, to recover the cost of labour and materials as incurred by the City in line with the City contract rates, as allowable under By-law 2018-109, a by-law to regulate the use, alteration, and Occupancy of Highways within the City of Markham.

Rationale: New fees are being introduced mainly to recover the cost of labour and materials.

*The new fee descriptions associated with the 4 new fees are outlined in Appendix B (Table 1.3).

Environmental Services - Waterworks:

- Seeking to introduce a new fee for dual camera inspection of private service and a fee for bulk water fob access.

Rationale: The new dual inspection fee will transfer economies of scale and efficiency to residents as it will allow for a dual inspection service for storm and sanitary pipes during a single site visit. The second fee relates to a charge for a fob (free on board) for commercial customers to access and purchase water from the City's bulk water sales station.

By-Law and Enforcement Services:

- Proposing to implement 2 new non-refundable processing fees under the "Permitting of Noise By-Law Exemption" for:

- Residential noise permits (per event)
- Bar & Grills Restaurants noise permit (per season)
- Proposing to implement a non-refundable processing fee for the review of residential tree removal permit applications.

Rationale: Seeking to introduce new processing fees for noise exemption permits for businesses (per season), residential events and for residential tree removal permits based on a market review and increased application volumes. Permits are currently being reviewed and issued by the City at no charge.

Arts Centre:

- Proposing to implement 11 new fees related to facility rentals at the Varley Art Gallery and McKay Arts Centre and programming such as family workshops.

Rationale: Seeking to introduce new fees based on a market review and demand for additional programming from client groups, such as family workshops. The City currently only offers programs geared towards adult, children, teen and pre-teen individually. Facility rental fees are also being introduced, such as overnight storage at the Arts Centres which was not previously levied.

Museum:

- Proposing to implement 14 new fees mainly related to facility rentals and new corporate memberships.

Rationale: New fees being proposed mainly to introduce rental charges for facilities where none were levied before. With regards to corporate memberships, it will provide corporations with the opportunity to align their brand with Markham Museum and enjoy exclusive benefits such as enhanced visibility, networking opportunities, and the chance to support meaningful community initiatives. Competitive scan completed against other facilities such as those in the City of Toronto.

Fire and Emergency Services:

- Seeking to implement new fees related to fire safety inspections and investigations.

Rationale: New Fire prevention fees being proposed based on a market review, and increased review volumes. New fees align fee structure with comparator municipalities. The City currently does not charge for these services.

FINANCIAL CONSIDERATIONS

Should the above noted fees be approved by Council, the requisite by-laws will be updated, and staff will monitor participation rates and identify any potential revenue changes for consideration as part of the 2026 budget.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

All impacted business units were consulted in the preparation of this report.

RECOMMENDED BY:

Joseph Silva
Treasurer

Trinela Cane
Commissioner Corporate Services

ATTACHMENTS:

Appendix A – Schedule of New Fees
Appendix B – By-Law Updates