



## Information Supporting the Proposed Increases in Building Permit Fees

(as required by Section 1.9.1.2 of Ontario Regulation 332/12 under the Building Code Act)

The Council of the United Townships of Head, Clara and Maria is proposing to amend the building permit fees following a review of the current permit fee schedule and the costs associated with providing the service to enforce the Ontario Building Code Act. The intent will be to increase the existing fee structure.

Council will consider this matter on June 15<sup>th</sup>, 2023 at 2:00 pm at its regular meeting. Anyone wishing to provide comments may write to the Clerk at [clerk@headclaramaria.ca](mailto:clerk@headclaramaria.ca) before June 14<sup>th</sup> at 4:00 pm. An opportunity for verbal comments will be provided during the meeting on June 15<sup>th</sup>, 2023.

### Current Versus Proposed Fees

Permit Type	Current	Proposed
Residential - New Construction	0.45/ft <sup>2</sup>	0.70/ft <sup>2</sup>
Residential – Additions, Repairs and Renovations	0.45/ft <sup>2</sup>	0.70/ft <sup>2</sup>
Residential - Wood Shed	\$30	\$30
Minor Alterations, Repairs and Renovations	\$20	\$30
Residential - Accessory Buildings	0.22/ft <sup>2</sup>	0.45/ft <sup>2</sup>
Residential Decks	\$30	\$30
Roof	\$30	\$30
Commercial – New Construction	0.60/ft <sup>2</sup>	0.80/ft <sup>2</sup>
Commercial - Accessory	0.55/ft <sup>2</sup>	0.80/ft <sup>2</sup>
Demolition Permit	\$40	\$50
Septic Class 1		
Septic Class 2	\$150	\$150
Septic Class 3	\$150	\$150
Septic Class 4	\$300	\$300
Renewal of Lapsed Permit	\$25	\$50
Change of Use	\$100	\$150
Deferral or Revocation of Permit	\$10-30	\$20

### Summary of Justification for Increasing Fees

Building Permit Fee Schedule has not increased since 2019.

The Building Code Act provides that building permit fees can be set on a cost-recovery basis relative to the reasonable costs to provide the service. The average cost recovery rate in 2022 was 37%.

The proposed increases improve the financial sustainability of providing this service, and move towards a 50% cost recovery rate.

The proposed increases move Head, Clara and Maria's building permit fees to be similar to those of neighbouring municipalities.

**Information Supporting the Proposed Increases in Building Permit Fees**  
**Historical Comparison of Revenues, Expenses and Recovery Rates**

	2019	2020	2021	2022
Number of permits issued	18	14	15	13
Total value of permits	\$383,500	\$1,003,100	\$305,500	\$1,044,000
Total revenue generated from permits	\$1,988.68	\$3,172.56	\$3,659.24	\$4452.62
Total cost of building permit and inspection service	\$12,825.64	\$11,635.66	\$12,483.10	\$12,044.91
Surplus/(Deficit)	(\$10,836.96)	(\$8,463.10)	(\$8,823.86)	(\$7,592.29)
Cost recovery rate	<b>15.5%</b>	<b>27.3%</b>	<b>29.3%</b>	<b>37%</b>

**Applicable Sections of the Building Code Act and Associated Regulations**

**Building Code Act, 1992, as amended**

Section 7 (1) The council of a municipality or of an upper-tier municipality that has entered into an agreement under subsection 3 (5) or a board of health prescribed for the purposes of section 3.1 may pass by-laws:

- (c) requiring the payment of fees and prescribing the amounts of the fees
  - (i) on application for and on issuance of permits
  - (ii) for maintenance inspections
  - (iii) for providing documentation, records or other information under section 15.10.4
  - (iv) for providing information under subsection 15.10.6 (2)

Section 7 (2) The total amount of the fees authorized under clause (1) (c) must not exceed the anticipated reasonable costs of the principal authority to administer and enforce this Act in its area of jurisdiction.

**Ontario Regulation 332/12**

Section 1.9.1.2. Change of Fees

(1) Before passing a bylaw or resolution or making a regulation under clause 7 (1) (c) of the Act to introduce or change a fee imposed for applications for a permit, for the issuance of a permit or for a maintenance inspection, a principal authority shall,

- (a) hold the public meeting required under subsection 7 (6) of the Act,
- (b) ensure that a minimum of 21 days notice of the public meeting is given in accordance with Clause (c), including giving 21 days notice to every person and organization that has, within five years before the

day of the public meeting, requested that the principal authority provide the person or organization with such notice and has provided an address for the notice,

(c) ensure that the notice under Clause (b),

(i) sets out the intention of the principal authority to pass the bylaw or resolution or make a regulation under section 7 of the Act and whether the bylaw, resolution or regulation would impose any fee that was not in effect on the day the notice is given or would change any fee that was in force on the day the notice is given,

(ii) is sent by regular mail to the last address provided by the person or organization that requested the notice in accordance with Clause (b), and

(iii) sets out the information described in Clause (d) or states that the information will be made available at no cost to any member of the public upon request, and

(d) make the following information available to the public:

(i) an estimate of the costs of administering and enforcing the Act by the principal authority,

(ii) the amount of the fee or of the change to the existing fee, and

(iii) the rationale for imposing or changing the fee.