

BU19.1.15

November 30, 2011

Mr. John Livey
Deputy City Manager
City of Toronto
100 Queen Street West
Toronto, Ontario
M5H 2N2

Dear Mr. Livey,

**RE: City of Toronto's User Fee Policy
December 7th Public Meeting: City of Toronto Budget Committee**

The Building Industry and Land Development Association (BILD) is in receipt of the September 9th staff report on the User Fee Policy and we appreciate that you and your staff consulted with the BILD Toronto Chapter on November 7th. Based on the information derived at this meeting, we offer the following comments for your review and consideration at the December 7th Budget Committee meeting.

In principle, the industry believes that growth pays for growth, and in turn we also firmly believe that any increase in application fees should commensurate with an equal level of service. We applaud Councillor Ford and Councillor Milczyn and City Staff for undertaking a planning and building service delivery improvements exercise to obtain process efficiencies and we also appreciate that staff have consulted with Toronto Chapter members throughout this review.

BILD believes that completed and on-going service delivery improvements (such as e-submissions which recently became effective on November 7th) will lead to greater efficiencies, and in turn, lower City Planning and Buildings operating costs. However, these efficiencies have not been incorporated in this fee review as the consultant's report is dated from 2007. Therefore, we believe that consideration of these recent and upcoming efficiencies should be accounted for today, to ensure that we are not creating a surplus of paid funds or rectifying historic imbalances.

In additions, BILD has heard that the City is contemplating laying-off staff within these departments. This is very concerning for BILD members that may be subject to paying additional fees with no staff to support these services. We strongly encourage the City to maintain its staffing levels across these departments, especially since the primary objective of this full cost recovery model is to cover the existing staff levels.

BILD is also very concerned that many of our members are facing significant delays in the turnaround timeframes for planning application comments, especially since these processes should be operating at a peak efficiency level with the City's STAR process. On average, BILD has heard that comments that should be returned within six weeks are being delayed by an additional two weeks. This alludes to an obvious need to adopt a reduced cost recovery model and maintain staff.

BILD recommends that the proposed fee policy be significantly reduced from the proposed full cost recovery model in an effort to account for the above noted imbalances. Commencing shortly beyond the 2012 calendar year, this fee policy could be reviewed again for the full cost recovery model. This will also add an incentive for City Staff to continue to seek process efficiencies for full cost recovery.

Our members are also extremely concerned that the proposed user fee increases are in addition to planning fees that are not paid in other municipalities. For example, only in the City of Toronto is a developer required to pay right-of-way (ROW) management fees (i.e. crane swing, hoarding, land closures). These fees are over and above the general application fees, and we have also heard that these fees are extremely disproportional to the level of service that our members receive. BILD strongly recommends that the City commit to meeting with BILD at the end of this year or early next year to discuss the service delivery standards for ROW management.

We also recommend that any adopted recommendations include a requirement for City Staff to continue to work with BILD through the established service delivery improvements exercise for a service review of right-of-way management.

We trust that you will take these comments into consideration and we look forward to our continued consultation. If you have any questions or concerns, please don't hesitate to contact the undersigned.

Sincerely,



Danielle Chin MCIP RPP
Municipal Government Advisor

CC: Leona Savoie, BILD Toronto Chapter Co-Chair
Steve Deveau, BILD Toronto Chapter Co-Chair
Paula Tenuta, Vice President, Policy & Government Relations, BILD
BILD Toronto Chapter