



May 6, 2024

**Chair Gord Perks and Members of the Planning and Housing Committee**

City of Toronto  
Toronto City Hall  
100 Queen Street West  
Toronto, ON M5H 2N2

Sent via email to: [phc@toronto.ca](mailto:phc@toronto.ca)

**Re: PH21.3 – Development Application Fee Review**

Dear Chair Perks and Members of the Planning and Housing Committee,

On behalf of the Building Industry and Land Development Association (BILD), which represents the land development, homebuilding, and professional renovation sectors in the Greater Toronto Area and Simcoe, I am writing to provide comments regarding the staff report on item PH21.3 – *Development Application Fee Review*.

We acknowledge that the report recommends a new development application fee schedule, which is proposed to take effect on July 1, 2025. This reporting is intended to improve cost recovery and support a more efficient development review process. We also recognize that the 2024 review was conducted in collaboration with KPMG and Watson & Associates and follows the City's User Fee Policy and the requirements of the *Planning Act*. BILD engaged Daryl Keleher of Keleher Planning & Economic Consulting Inc. to provide technical support in our review of this file.

Following our discussions with City staff and a technical review by our consultant, we offered the following general commentary:

In the midst of a housing crisis, it is imperative that these reviews—and any cost implications they may impose on new development—are approached with careful consideration and a strong awareness of their potential downstream effects. Development fees, while a necessary tool to support municipal planning operations and cost recovery, must be balanced against the broader objective of increasing housing supply and affordability. Excessive or poorly calibrated fees risk deterring investment, delaying projects, and ultimately limiting the ability of the private sector to deliver much-needed housing at the pace and scale required to meet current and future demand. As such, policy decisions related to fee structures should be grounded in economic analysis, transparent consultation, and a clear alignment with the City's broader housing goals. Careful calibration will ensure that cost recovery objectives do not inadvertently contribute to housing inaccessibility or project infeasibility.

With respect to this fee review, we believe that City Staff have respectfully considered the market context and as such we are generally supportive of the approach outlined in this proposal. We encourage Committee and Council to give positive consideration to staff's recommendations. With more specificity, we would also like to highlight several elements of the proposed changes that either reflect or could further support a more balanced and housing-supportive approach.

We recognize that this report reflects an approximate \$12.9 million (or 19%) increase in processing costs since the 2021 Review. We believe that the increased collections from the 2021 model—at least in part—should be directed toward improving the role and accessibility of legal services in the development review process, which our developer members have identified as a key bottleneck.

Regarding site plan fees, the proposed structure is designed to recover 25 percent of full cost recovery that is reflective of the City's recognition that the Site Plan process is in need of reform and has been identified as a priority for procedural improvements. While our industry would ideally prefer to see no fee changes during a housing crisis, we recognize that the City's decision to implement an interim fee—rather than full cost recovery—is a practical and constructive step. This interim model anticipates increased process efficiencies as a result of necessary and ongoing reviews. Recovering 25 percent of increased costs of processing provides a clear benchmark to align future costs with anticipated improvements. Our consultant will also be following up with Watson & Associates to further clarify the methodology behind the calculation of the full-cost site plan application fees compared to the proposed 25 percent model.

With respect to maximum fees, we note that the report rightly proposes a cap of \$715,000 for Zoning By-law Amendment (ZBA) applications and \$800,000 for combined Official Plan Amendment (OPA) and ZBA applications. To provide context, the City of Brampton recently introduced significantly lower maximum planning fees, such as \$139,935 for subdivision applications, \$88,821 for ZBA applications, and \$57,215 for condominium applications. Brampton does not set a maximum for OPA applications but has established a base OPA fee of \$68,558. In comparison, the City of Toronto may wish to evaluate the appropriate scale and threshold for maximum fees, particularly for developments exceeding 1,400 residential units.

The current approach to site plan applications does not include a maximum fee that can be realized by phased nature of large-scale developments. Each phase typically incurs its own set of fees. The 25 percent cost recovery model is reflective of this approach, as it ensures that efficiencies realized during reviews of later phases are captured in the fee structure. When combined with anticipated process improvements, this rationale provides a strong basis for the City's current fee strategy for site plan applications.

Thank you for your time and consideration of our comments. Should you have any questions or require additional information, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Danielle Binder', with a stylized flourish at the end.

Danielle Binder, RPP MCIP  
Senior Director, Policy and Advocacy