

Item #	Feedback Received	Town Response
1	<p>As representative of an industrial development company, we are concerned with the difference between the per sq metre rate for a fully partitioned industrial building verses the shell building permit rate plus the interior alterations permit rate. The current rate for a fully partitioned building is \$13.80 per sq metre; whereas the rate for a shell building permit is \$12.81 per square plus and alteration or unit finish rate of \$6.17 per square metre, for a total of \$18.98 per square. This results in a difference of \$5.81 per square metre with the two approaches. In our industry it is typical to apply for or construct a shell building and then apply for alterations permit once a tenant is obtained and their internal layout is finalized. It is very uncommon to begin constructing a building specifically suited to a tenant's layout.</p> <p>By comparison, the difference between the two approaches in the City of Mississauga is a finished or fully portioned rate of \$14.44 per sq metre verses a total of \$13.26 per square metre for a shell permit, followed by an interior alterations permit. In the City of Brampton, the rates for the two approaches are equal - \$11.36 per square metre.</p>	<p>The Town has reviewed the current fee structure for finished industrial buildings versus the fees for a shell building permit plus interior alterations. The fee structure of many of the surrounding municipalities provide for a declining fee per sq m as the size of applications increase. An analysis of fees for three sizes of application was completed, comparing Milton with seven of the surrounding municipalities, including the municipalities referenced in the feedback received. Milton's current combined fee for shell and alteration permit is \$18.60 per sq m regardless of size of permit. For an industrial warehouse permit under 10,000 sq meters this fee is comparable to neighboring municipalities and, in many cases, below that of neighboring municipalities. However, for permits of a size greater than 10,000 sq meters, Milton's combined fee of \$18.60 was found to be at the high end of the market comparisons.</p> <p>As a result of the further market analysis completed, an adjustment to the fee structure is recommended for the Group D, E and F fees in order that the combined fee for a shell permit plus alteration permit be equal to a finished permit fee (with the shell and alteration permit fees set at 65% and 35% respectively of the finished permit fee).</p> <p>A further revision to the fee structure based on size of permit is being recommended. For Group F (Industrial) permit applications under 10,000 sq m the finished permit fee will be amended to be \$18.60 in 2022\$ (based on existing shell fee of \$12.55 plus alteration fee of \$6.05). For permits greater than 10,000 sq m the finished permit fee will be \$15.90 in 2022\$ (with the shell set at \$10.34 and the alteration permit set at \$5.56). No change to the finished permit fee for Group D or E is being recommended but the shell and alteration permit fees for these groups would be amended based on the 65%/35% split referenced above.</p> <p>These changes will align Milton's fee structure more closely with neighboring municipalities while still ensuring costs are recovered to the greatest extent possible.</p>
2	<p>In addition, the conditional building permit rate for the Town of Milton is far greater than other municipalities. Currently the Town's conditional permit rate is 25% of total building permit fee. We recently paid a conditional permit fee in the amount of \$120,619.57 based on a building permit fee of \$482,479.87 for a 46,303.25 square metre building.</p> <p>By comparison, The City of Mississauga caps their conditional permit fee at \$8920.00 and the City of Brampton's conditional permit fee is \$3515.47.</p> <p>The issuance of conditional permits has become a common practice amongst municipalities as a way of meeting market demand for industrial buildings and construction schedules, while developers work through the site plan process. Conditional permits often provide developers with certainty of when a building can be constructed and occupied to attract and secure users. This fee should be reevaluated to be more in keeping with other municipalities.</p>	<p>In recognition that Milton's fee structure was high relative to surrounding municipalities it was already recommended through this fee review that the conditional building permit fee be reduced from 25% of the total building permit rate to 20%, comparable to Burlington and Mississauga.</p> <p>Following additional feedback received, a further review of this fee has been completed relative to the historical permit applications within Milton and the fee structure of surrounding municipalities. As a result of that review, it is further recommended that the fee not only be reduced to 20% of the total building permit rate, but that a minimum amount of \$1,700 and maximum of \$25,000 also be implemented. This additional adjustment to establish a maximum amount of the fee ensures that Milton's fees are comparable to the market, but set at an amount that is still expected to be sufficient to recover the cost of providing this service.</p>

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3	How has Bill 109 been addressed through this fee study with respect to the new planning act requirements for refunds and application review timing obligations? Have any costs associated with potential refunds of permits been built into the costing analysis?	The costing of services prepared as part of the fee study does not include any potential costs associated with the refunding of fees as outlined in Bill 109 as municipalities are waiting for the Province to release the associated regulations for implementation. Meanwhile, meetings are ongoing between the Town and the Region of Halton to review how applications will be managed going forward with respect to Bill 109 with potential options under discussion including holding provisions, pre-submissions and working with BILD to look at options such as implementation of waivers.
4	Appreciate the new proposed fee for pre-consultation as it should ensure applications are complete which will improve processing times and efficiencies. May want to look at considering the process in terms of whether there are complexities that could be eliminated to reduce the cost.	Processes are regularly reviewed by Town staff with implementation of efficiencies incorporated where possible.
5	There hasn't been much comment on peer reviews. Were these considered as part of the study. Currently developers are required to pay peer reviews in addition to user fees.	Peer reviews are required as part of the Subwatershed Impact Study and detailed design processes as well as instances where internal staff lack technical expertise for a particular review or to address workload constraints and thus increase response times. These situations result in costs above and beyond costs included in the fee related processes and are billed separately as incurred.
6	Why are developers asked to pay a fee for streetlight maintenance but then still asked to maintain streetlights such as being asked to replace lights or straighten poles prior to assumption?	The fee for streetlight maintenance represents the recovery of general maintenance performed by the Town on streetlights within unassumed subdivisions such as the replacement of a light. Separately, there may be circumstances where a developer is requested to perform maintenance on unassumed streetlights related to more significant deficiencies such as a full section of streetlights being without power or poles that needs to be straightened.
7	The graphs shown in the report should not combine DCs and the user fees as this skews the results. The focus should be on the fees under review within this study and how the fees compare to other municipalities.	While the graphs included in the report are reflective of both user fees and DCs and intended to show how Milton compares to surrounding municipalities on total development application related fees, the report also includes tables with each individual fee and the proposed changes as well as an appendix with market comparables by fee.
8	Should consider making process changes on the timing of payments e.g. 75% up front and 25% on approval of applications. This would help provide incentives to get through the process more efficiently.	A split to the timing of payments would increase administration costs to monitor and maintain which would then increase the recommended fees. It is recommended that the current policy of fees being due at the time of application be maintained.