

**THE CORPORATION OF THE TOWN OF GEORGINA**

**REPORT NO. DS-2022-0090**

**FOR THE CONSIDERATION OF  
COUNCIL**

**September 28, 2022**

**SUBJECT: AMENDMENT TO THE BUILDING BY-LAW TO REDUCE THE BUILDING  
PERMIT FEE RELATED TO INDUSTRIAL INTERIOR ALTERATIONS**

---

**1. RECOMMENDATION:**

- 1. That Council receive Report No. DS-2022-0090 prepared by the Development Service Department, Building Division dated September 28, 2022, respecting an amendment to the Building By-law to reduce the Building Permit fee related to Industrial Interior Alterations,.**
- 2. That Council adopt the proposed amendment to the Building By-law being a By-law to reduce the building permit fee with respect to Industrial Interior Alterations.**

**2. PURPOSE:**

The purpose of this report is to propose a reduction to the Industrial Interior Alteration building permit fee in By-law No. 2021-0019. A comparison of the fee with other municipalities found the Industrial Interior Alteration fee is not competitive with surrounding municipalities. Hemson Consulting Ltd was retained to prepare a report detailing the Industrial fee review (refer to Attachment 1).

This meeting also serves as the required mandatory public meeting as set out in *Building Code Act*, S.O. 1992, C.23, as amended.

**3. BACKGROUND:**

A municipal Building By-law implements the authority and municipal obligation under Section 7 of the *Building Code Act*, S.O. 1992, c.23 (BCA), as amended. The BCA allows municipalities to prescribe classes of permits, require payment of fees, prescribe the use of various forms respecting building permits, conduct inspections, and establish a program to inspect existing septic systems and various related matters.

As with other municipal by-laws, the Building By-law may also reference Section 391 of the *Municipal Act*, 2001, S.O. 2001, c.25 to charge fees for services that are not set out in Section 7 of the BCA.

The previous Building By-law review was completed in the fall of 2020 and concluded with the current Building By-law No. 2021-0019 (refer to Attachment 2) which came into effect on March 24, 2021.

Recently, a large industrial development proposal in the Town revealed that the Industrial Interior Alteration fee in By-law No. 2021-0019 is considerably higher than other York Region municipalities. In response to this, the Town retained Hemson Consulting Ltd to complete a comparison of Industrial fees with other municipalities. The review involved an in-depth comparison of the Industrial building permit fees in Georgina with other municipalities in York Region and surrounding areas.

#### **4. ANALYSIS:**

The report prepared by Hemson indicates that 95% of the industrial permit fee revenue is received as new industrial construction and not interior alterations. As such, a reduction of the industrial interior alteration fee would have a minimal impact on revenue to the Building Division. As a result, the report recommends amending By-law No. 2021-0019 to reduce the industrial interior alteration fee only (Attachment No. 3). The fee for new industrial or industrial shell buildings is proposed to remain unchanged.

The report prepared by Hemson recommended lowering the fee from \$12.16/sq. m to \$5.00 - \$6.00/sq. m to stay competitive with surrounding municipalities. The amendment proposes lowering the cost to \$6.75/sq. m which takes into consideration that many of the comparator municipalities have not recently completed a fee review. The slightly higher increase will keep our rate from falling behind other comparable municipalities.

Table 1 illustrates the proposed change in fees below:

Table 1

<b>Existing Building By-law 2021-0019 (2022 Rates)</b>		<b>Proposed Amendment</b>	
Industrial Interior Alteration Fee	\$ 12.16/sq. m	Industrial Interior Alteration Fee	\$ 6.75/sq. m

#### **5. RELATIONSHIP TO STRATEGIC PLAN:**

**Grow our economy**

**Engage our community & build partnerships**

**Deliver exceptional service**

Establishing a competitive fee with surrounding municipalities promotes growth in our economy and assists in building partnerships with prospective businesses.

**6. FINANCIAL AND BUDGETARY IMPACT:**

A detailed analysis of the cost of the fee reduction was carried out by Hemson to confirm the impact to the revenue from industrial interior alteration permits. More than 95% of industrial permit fee revenue is expected to be received from new industrial construction which is not impacted by the proposed new fee.

The reduction of the industrial interior alteration fee appropriately adjusts the fee for larger industrial construction projects with floor areas of thousands of square metres which, historically, have not been common in the Town.

Adoption of the recommended amendment to reduce the industrial interior alteration fee will have a minimal impact on the revenue to the Town of Georgina and will ensure that our fees remain competitive which will encourage development proposals in Georgina.

**7. PUBLIC CONSULTATION AND NOTICE REQUIREMENTS:**

As set out in the *Ontario Building Code*, where changes in fees are proposed, 21 days' notice must be given to the public and to all persons who, within the last 5 years, have requested the municipality to provide such notice to them.

In an effort to reach as many stakeholders as possible, notification was provided in advance of the council meeting on September 28, 2022. The required notification was provided on the Town page in the Georgina Advocate and on the Town web site.

**8. CONCLUSION:**

The proposed amendment to the Building By-law is an appropriate reduction of the industrial interior alteration fee based on the larger industrial developments that are expected in the Town over the next several years. The majority of industrial permit revenue is received from new industrial development and, therefore, the reduction in fee for industrial interior alterations will have a minimal impact on revenue for the Town.

**APPROVALS**

Prepared By: Devin Dillabough  
Chief Building Official

Recommended By: Harold Lenters  
Director of Development Services

Approved By: Ryan Cronsberry  
Chief Administrative Officer

***Attachments:***

*Attachment No. 1 – Building By-law Industrial Interior Fee Review Report prepared by Hemson Consulting Ltd.*

*Attachment No. 2 – Existing Building By-law 2021-0019*

*Attachment No. 3 – Proposed By-law Amendment*