

Report from Planning and Building Services**Date of Report:** October 11, 2016**Date of Meeting:** November 14, 2016**Report Number:** PBS-B019-2016**File:** 60.2.99, 68.41.99**Subject:** Options for Allocation of Revenues from 2016 Planning Fees

Recommendation

That the Budget Standing Committee receive this report for consideration.

Summary

BSC requested that staff provide additional information following approval of the Planning Services Rates and Fees regarding how to direct the additional funds generated by fee increases for 2016. Specifically, BSC asked for further information on the Amanda upgrades and two other areas identified that could benefit from the funding.

Background

When the 2016 increase in rates and fees for planning applications was approved, the intent was to direct the increase in revenue from 2016 to a cost recovery study to be undertaken in 2017. The 2017 cost recovery study was to fully inform future increases for planning fees. Rate increases for planning fees in 2017 were approved with deferral of a decision to undertake a cost recovery study. BSC, instead, directed staff to provide additional information regarding the reallocation of the 2016 revenue from planning fees to other projects.

BSC supported a motion at the meeting of September 19, 2016 which approved rate and fee increases for Planning Services in 2017 and deferred the second part of the motion, related to the use of 2016 excess planning fees for full cost recovery study, until further financial details could be provided at the Budget Standing Committee meeting of October 17, 2016.

The second part of the motion, which was deferred, recommends the increased revenues from the 2016 planning fee increases be directed to:

- upgrading the Amanda system,
- funding project management staff with the Planning and Building Services department, and
- the GM Lands Comprehensive Land Use Study

Upgrades to the Amanda system are intended to improve customer service in that the upgrades would allow for residents and businesses to access planning and building

applications online and track the corresponding approval process. These technical upgrades should reduce application times, enhance transparency, improve communication with applicants, simplify the application process and provide better metrics to inform continuous improvement initiatives.

Funding for staffing for special project management purposes will improve PBS's ability to address the increasing demands on the department. PBS staff advise that an increasing interest in development within the City is apparent over the past several months. Should that interest materialize into actual development applications, as anticipated, existing staff resources may be unable to meet the demand without compromising service levels. Key developments include, but are not limited to, development interests in and around the proposed GO station, redevelopment of the former General and Hotel Dieu hospital sites, and various redevelopment interests in Port Dalhousie. As such, staff need to be devoted to these projects in order to provide customer service enhancement.

The GM lands offer a key development opportunity in the City. A Comprehensive Land Use Study for the GM lands is required to assess and identify future land use that best serves the City. Additional funding for the GM Land Use Study is required since the current staff complement in PBS does not possess specific expertise to address and undertake the complexity of this study in a timely manner.

Report

The Planning Rates and Fees increases from 2016 are expected to generate approximately an additional \$140,000. The Budget Committee requested additional information before approval of where those additional funds would be directed.

Recommended revenue allocation	
Projects:	
Amanda System Upgrade	\$68,959
GM Comprehensive Land Use Study	\$17,152
One Year Contract for Project Management staff	\$53,889
Total:	<u>\$140,000</u>

Amanda System Upgrade

The Amanda system is a property management system and is the software used by staff to process all building and planning development applications. The best use of this technology creates efficiencies for both staff, land developers and the general public seeking a building permit. The upgrade includes the next version of Amanda (7), enhancements to the existing web portal (the public access point for information) and the inclusion of a redesign of the current planning processes in the AMANDA system to better track and monitor planning approvals.

Amanda Upgrade		
Amanda version 7 software		\$20,000
Consultant Fee with CSDC to update web portal		\$10,000
Increased Licence fees		\$10,000
Mobile Inspector Mobile (Partho)		\$40,000
Redesign Planning processes in AMANDA		\$50,000
	Project Total:	\$130,000
Less Existing Available Funding:		(\$61,041)
Net Remaining Unfunded Project Costs		<u>\$68,959</u>

The Amanda upgrade is the highest priority since its implementation will enable better management of development and building applications, improve the ease of tracking applications for both staff and applicants, and offer better metrics to assess, evaluate and improve approval processes so that continuous improvement initiatives are ongoing.

GM Land Use Study

The GM Comprehensive Land Use Study total cost is estimated to be at least \$200,000. While not formerly approved at this time, the Region is anticipated to contribute \$100,000.

GM Land Use Study	\$200,000
Available Funding:	
Region	\$100,000
2016 Budget (Civic Project Fund)	\$32,848
Existing Special Studies Funds	\$50,000
Net Remaining Unfunded Project Costs	<u>\$17,152</u>

One Year Contract for Project Management for New Development/Projects

The total annual cost of this position would be approximately \$107,500. While the remaining additional revenue generated by the planning fees will not cover the required amount of \$53,889 for the position, the remaining funds have been included in the PBS department proposed operating budget for 2017.

One Year Contract for Project Management:	\$107,500
Less Available Funding:	
PBS 2017 Budget Allocation	(\$53,611)
Net Remaining Unfunded Project Costs	<u>\$53,889</u>

The value of this position is to ensure high profile developments/studies within the City are afforded the best customer service possible so that they may proceed through the various levels of approval in a timely manner. The City's profile within the development community as a positive place to do business will be supported by this position.

Without this position, the customer service experience for these high profile projects may be impacted since the current staff complement may not be able to handle the anticipated increase in planning applications.

Financial Implications

The 2016 additional Planning revenues received are being utilized in 2017 to fund customer service enhancements in technology, GM Lands Use Study and a portion of the one-year contract for project management staff. The remaining portion for the one-year contract staff is funded through the 2017 Planning department draft operating budget which includes an increase in planning fee revenues that was approved by Council with the 2017 Rates and Fees approval on October 24th, 2016.

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