



# TOWNSHIP OF AMARANTH

## TOWNSHIP OF AMARANTH FEE REVIEW

---

OCTOBER 2024



Devon Staley

RSM BUILDING CONSULTANTS | 44 SALTSMAN DRIVE, UNIT 9, CAMBRIDGE, ONTARIO, N3H 4R7

## TABLE OF CONTENTS

Township of Amaranth Fee Review .....	0
Study Objectives .....	2
Review Method .....	2
Building Code Act .....	2
Building Department Services.....	3
Building Permit Activity .....	3
Building Permit Fee Review Process.....	3
Total Cost of Service .....	4
Building Permit Fee Calculation .....	4
Neighbouring Municipality Comparisons.....	4
Conclusion .....	5
Appendix A- Building Permit Activity 2019-2023.....	6
Appendix B- Option A Full Cost Recovery .....	7

## STUDY OBJECTIVES

RSM Building Consultants was engaged by the Township of Amaranth to undertake creating a building permit fee structure and make recommendations regarding the building permit fee amounts to be collected. Currently, Dufferin County provides all building administration and enforcement for the Township and on January 1, 2025, the Township will be providing all building services. The Township of Amaranth has deemed it an appropriate time to undertake this project to be prepared in advance of the assumption of building services.

The purpose of the review is to establish the anticipated reasonable costs related to the administration and enforcement of the Building Code Act, to set the amounts for various building permit fees to cover those costs based on the rationale of full cost recovery and determine if adopting the 2025 fee amounts as approved for Dufferin County are appropriate.

## REVIEW METHOD

The review method included an assessment of information provided by the Township of Amaranth.

- Building permit activity data was collected for the period of 2019-2023 to determine the average level of building permit activity and trending activity.
- Review of the contracted service pricing vs building permit activity data to determine reasonable anticipated costs.
- Review of the current Dufferin County building permit fees as approved for 2025 which were to be used for the Township of Amaranth.

## BUILDING CODE ACT

The Building Code Act (Act) permits the council of a municipality to pass a by-law prescribing classes of permits requiring the payment of fees. The total amount of the fees appropriate to be collected cannot exceed the anticipated reasonable costs of the Township to administer and enforce the Act. To determine the anticipated and reasonable costs of administration and enforcement of the Act a calculation of both the direct and indirect costs is to be completed.

The Act requires that the Municipality provide an annual report which must include the direct and indirect costs associated with administration and enforcement of the Act and include the balance of any building permit reserve fund.

Where there is a proposed change to existing building permit fees or where new fees are proposed, the Ontario Building Code sets out the details for a public meeting process that must accompany the setting of fees, including:

- Hosting one public meeting,
- Offering 21-day notice of the public meeting and,
- The public notice would need to include the anticipated reasonable costs of administration and enforcement of the Act, the amount of the new fees, and the rationale for the new fees.

## BUILDING DEPARTMENT SERVICES

Currently, the Township of Amaranth building administration and enforcement services are provided by Dufferin County. In January 2025, the use of contracted services will be necessary to support the building department with plans examination, administration, enforcement, inspections, and Chief Building Official duties.

## BUILDING PERMIT ACTIVITY

Building permit data has been reviewed to determine the average building activity over a 5-year period between 2019-2023. During this 5-year period the number of residential permits for dwelling units was on average approximately 9.8 units, ranging from 5 in 2019 to 11 in both 2022 and 2023. New non-residential building permit projects averaged less than 3.8 permits per year. The total average permits issued between 2019 and 2023 was 83.8 permits a year. The highest volume permit types are accessory buildings, and single detached dwelling units. The building permit activity trend has been increasing year over year with the highest amount issued in 2021 of 112 building permits and the lowest amount issued in 2019 with 67 permits. See appendix A.

Future development plans proposed in the Township include approximately 200 residential lots being created in the next 3 years, this suggests that the average residential building permit activity average may increase.

## BUILDING PERMIT FEE REVIEW PROCESS

The following provides an overview of the process used to review the fees.

- Estimate the recoverable total cost of building department services,

- Calculate the approximate fee amounts to be collected using the current Dufferin County 2025 fee schedule,
- Determine what building permit revenue the current Dufferin County 2025 fee schedule will provide in cost recovery.

### *Total Cost of Service*

The estimated building department costs represent the total amount of costs associated with the administration and enforcement of the Ontario Building Code and Building Code Act in the Township of Amaranth. The 5-year building permit activity average was multiplied by the contracted services pricing for each permit to estimate the total building department costs. The recoverable amount in establishing the building permit fees is estimated to be **\$ 154,203.00** annually. These costs are intended to represent a full cost recovery for the provision of this municipal service.

### *Building Permit Fee Calculation*

An exercise was completed to determine an estimated amount of building permit revenue using the current 2025 fee collection amounts. Various building permit types were proposed with average areas to create a model building permit then the fee amount was applied to determine the approximate building permit fee. The permit fee by type was multiplied by the 5-year average building permit activity and the approximate revenue was determined.

The current estimated building permit revenue is approximately **\$153,299.00** when calculated using the 5-year permit activity average, model building permits and current building permit fee amounts. The recoverable building department costs of \$154,203.00 is about 1% higher than the estimated revenue of \$153,299.00. The current fee amounts are estimated to generate the reasonable anticipated costs for the Township to administer and enforce the Building Code and Building Code Act.

## NEIGHBOURING MUNICIPALITY COMPARISONS

Dufferin County provides building department services to many of the neighbouring municipalities which all have the same building permit fee amounts. In 2023 a building permit fees review was completed by Watson & Associates Economists Ltd. and an increase in overall building permit fees was approved by Dufferin County Council. The County approved building permit fees included a graduated increase from 2024 through to 2028. These fees will also be adjusted annually approximately 3% based on the Consumer Price Index, Ontario Series beginning in 2025. The Township of Amaranth proposed building permits fees are an adoption of the Dufferin County 2025 fees with the annual adjustment included. The fees chart and notes

have for the majority been adopted from Dufferin County however simplified for administrative and permitting software use which is specific to the Township of Amaranth. In addition, by generally adopting the County fees and notes this will ensure the least amount of noticeable change to the community as the Township assumes the services.

## CONCLUSION

This building permit fee review has determined the reasonable anticipated costs for administration and enforcement based on the criteria set out in the Building Code Act. The review of the fees used for Township of Amaranth's building permits when services were provided by Dufferin County are estimated to collect the amount required to cover the reasonable anticipated costs for administration and enforcement services when the Township becomes the service provider in January 2025. It is recommended that the Township of Amaranth complete a building permit fee review in 2 years to ensure compliance with the Building Code Act and review a future building permit reserve fund strategy.

## APPENDIX A- BUILDING PERMIT ACTIVITY 2019-2023

Total Number of Permits by Year 2019-2023 & Type							
	2019	2020	2021	2022	2023	Grand Total	Average
<b>Agricultural</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>13</b>	<b>5</b>	<b>43</b>	
Addition	1	1	0	0	0	2	0.4
Grain Bin	0	1	0	1	0	2	0.4
Manure Tank	1	1	0	0	0	2	0.4
New	5	5	7	11	4	32	6.4
Silo	1	0	2	1	1	5	1.0
<b>Business &amp; Personal</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>4</b>	
Addition	0	0	1	0	0	1	0.2
Alteration	0	0	0	1	0	1	0.2
New	0	0	0	1	1	2	0.4
<b>Change of Use</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>3</b>	
Non Residential	0	1	2	0	0	3	0.6
<b>Demolition</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>6</b>	<b>18</b>	
Non Residential	0	0	1	1	1	3	0.6
Residential	4	1	3	2	5	15	3.0
<b>Designated Structure</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	
Retaining Wall	0	1	0	0	1	2	0.4
<b>Industrial</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>15</b>	
Accessory Building	0	0	0	0	1	1	0.2
Addition	0	1	0	0	0	1	0.2
Alteration	2	1	0	0	0	3	0.6
New	1	1	0	5	3	10	2.0
<b>Mercantile</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>4</b>	
Addition	0	0	0	1	0	1	0.2
New	2	0	0	1	0	3	0.6
<b>Pool Enclosure</b>	<b>3</b>	<b>8</b>	<b>12</b>	<b>6</b>	<b>2</b>	<b>31</b>	
New	3	8	12	6	2	31	6.2
<b>Residential</b>	<b>30</b>	<b>38</b>	<b>56</b>	<b>35</b>	<b>36</b>	<b>195</b>	
Accessory Building	5	15	14	6	8	48	9.6
Addition	6	4	13	6	6	35	7.0
Alteration	2	5	2	2	1	12	2.4
Alteration- Finish Basement	3	2	1	1	1	8	1.6
Bunkhouse	0	0	1	0	0	1	0.2
Deck	4	2	8	5	3	22	4.4
New Single Detached Dwelling	5	8	11	9	11	44	8.8
Secondary Dwelling Unit	1	0	0	2	2	5	1.0
Shed	4	2	6	3	4	19	3.8
Wood Stove & Chimney	0	0	0	1	0	1	0.2
<b>Septic</b>	<b>15</b>	<b>17</b>	<b>23</b>	<b>12</b>	<b>21</b>	<b>88</b>	
Alteration	2	1	7	3	3	16	3.2
New	12	13	16	8	17	66	13.2
Non Residential	1	1	0	0	0	2	0.4
Replacement Tank	0	2	0	1	1	4	0.8
<b>Sign</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>3</b>	
Sign	1	0	2	0	0	3	0.6
<b>Solar Panels</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>	
Residential	1	0	1	0	1	3	0.6
<b>Standalone Mechanical &amp; Plumbing</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	
Alteration	0	0	1	0	0	1	0.2
<b>Temporary</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>9</b>	
Non Residential	0	0	0	0	5	5	1.0
Tent	0	1	1	1	1	4	0.8
<b>Grand Total</b>	<b>67</b>	<b>78</b>	<b>112</b>	<b>79</b>	<b>83</b>	<b>419</b>	<b>83.8</b>

## APPENDIX B- PROPOSED PERMIT AND SERVICE FEES SCHEDULE

CLASSES OF PERMITS AND PERMIT FEES				
Class of Permit	Note	Unit of Measure/Rate	Fee Amount	Min. Amount
<b>Demolition Permit</b>				
Residential Outbuilding		Flat Rate	\$206.00	
Residential Dwelling Unit		Flat Rate	\$292.52	
Non-Residential		Flat Rate	\$582.98	
Decommission Septic * N/A for Replacement Permit		Flat Rate	\$217.33	
<b>Change of Use</b>				
Change of Use Permit (No Construction)		Flat Rate	\$201.88	
Change of Use Permit (Construction)		\$/m2	Major Occupancy Classification	
<b>Site Servicing</b>				
Residential		Flat Rate	\$227.63	
Non-Residential		Flat Rate	\$318.27	
<b>Assembly Occupancies (Group A) School, Church, Community Hall, Restaurant</b>				
Finished Building		\$/m2, Min	\$16.45	\$618.00
Interior Renovation and Finishing (not part of original structure)		\$/m2, Min	\$4.96	\$618.00
Public Pool, Spa		Flat Rate	\$779.71	
School Portable		Flat Rate	\$390.37	
<b>Institutional Occupancies (Groups B1, B2, B3) Hospital, Nursing Home, Police Station</b>				
Finished Building		\$/m2	\$18.04	\$618.00
Interior Renovation and Finishing (not part of original structure)		\$/m2	\$4.96	\$618.00
<b>Residential Occupancies (Group C) House, Apartment, Motel</b>				
Multiple Unit Residential — Three (3) separate units or greater		\$/m2	\$16.85	\$618.00
Detached, Additional Residential Unit, Semi-Detached and Townhouse Dwellings —Two Units		\$/m2	\$15.67	\$618.00
Interior Renovation and Finishing (not part of original structure), Finishing Basement		\$/m2	\$5.84	\$206.00
<b>Business and Personal Service Occupancies (Group D) Office, Bank, Beauty Parlour</b>				
Shell Building		\$/m2	\$10.32	\$618.00
Finished Building		\$/m2	\$14.94	\$618.00
Interior Renovation and Finishing (not part of original structure)		\$/m2	\$4.96	\$618.00
<b>Mercantile Occupancies (Group E) Store, Shop, Supermarket</b>				
Shell Building		\$/m2	\$9.97	\$618.00
Finished Building		\$/m2	\$14.40	\$618.00
Interior Renovation and Finishing (not part of original structure)		\$/m2	\$4.96	\$618.00
<b>Industrial Occupancies (Groups F1, F2, F3) Warehouse, Repair Garage, Factory</b>				
Shell Building		\$/m2	\$7.84	\$618.00
Finished Building		\$/m2	\$10.65	\$618.00
Parking Garage, Service Floors, Mezzanines		\$/m2	\$6.94	\$618.00
Interior Renovation and Finishing (not part of original structure)		\$/m2	\$7.84	\$618.00
<b>Agricultural Occupancies (Groups G1,G2,G3,G4) Hay Storage, Silo, Riding Arena, Livestock Barn</b>				
Finished Building		\$/m2	\$2.79	\$618.00
Interior Renovation and Finishing (not part of original structure)		\$/m2	\$2.08	\$206.00
Silo, Grain Bin		Flat Rate	\$269.86	
<b>On-Site Sewage System</b>				
Residential (New & Replacement)		Flat Rate	\$579.89	
Non-Residential (New & Replacement)		Flat Rate	\$992.92	
Replacement Tank		Flat Rate	\$242.05	
Leaching Bed Repair, Minor Alteration		Flat Rate	\$405.82	
Review or Assessment Lot Serviceability/Severance		Flat Rate	\$242.05	



Township of Amaranth Fee Review

Class of Permit	Note	Unit of Measure/Rate	Fee Amount	Min. Amount
<b>Mechanical &amp; Plumbing &amp; Electrical</b>				
Fire Alarm, Fire Sprinklers, Standpipe		Flat Rate	\$360.50	
Smoke/Heat Detectors, Emergency Lighting, Magnetic Locking Devices		Flat Rate	\$360.50	
Commercial Cooking Exhaust, Spray Booth, Dust Collector		Flat Rate	\$309.00	
Plumbing System Residential		Flat Rate	\$206.00	
Plumbing System Multi-Residential		Flat Rate	\$269.86	
Plumbing System Non-Residential		Flat Rate	\$360.50	
Mechanical Unit/System Residential		Per Unit	\$206.00	
Mechanical Unit/ System Non-Residential		Per Unit	\$360.50	
Oil and Grease Interceptor		Flat Rate	\$269.86	
<b>Miscellaneous</b>				
Deck, Porch		Flat Rate	\$206.00	
Gazebo, Cabana, Shed		\$/m2	\$3.87	\$206.00
Fireplace, Woodstove		Flat Rate	\$206.00	
Detached Garage, Carport		\$/m2	\$5.84	\$412.00
Temporary Trailer		Flat Rate	\$269.86	
Temporary Tent		Max. 5 per application	\$206.00	
Sign		Flat Rate	\$206.00	
Swimming Pool Enclosure		Flat Rate	\$206.00	
Roof Mounted Solar Panel		Flat Rate	\$269.86	
Relocate Building		Flat Rate	\$540.75	
Wind Turbines		Flat Rate	\$4,104.55	
Industrial Commercial Racking System		Flat Rate	\$360.50	
Shelf and Rack Storage System 3.16		\$/m2	\$3.87	\$618.00
Designated Structure (not already listed)		Flat Rate	\$360.38	
Demountable Stage/Structure		Flat Rate	\$206.00	
Partial Building Permit	9(c)	Flat Rate	\$563.41	
Conditional Building Permit	9(c)	Flat Rate	\$1,125.79	
Foundation Only (phased or conditional)		\$/m2	\$2.48	\$206.00
Other Minor Residential Project		\$/m2	\$3.87	\$206.00
Other Minor Non-Residential Project		\$/m2	\$3.87	\$494.40
<b>Administrative</b>				
Fee for Permits not listed in the Schedule		Construction Value	\$10 per \$1,000 of construction/repair costs	
Transfer of Ownership (One permit holder to another)		Flat Rate	\$180.19	
Alternative Solution		Flat Rate	\$515.00	
Third Party Professional Review			Consultant Fee (Paid by Applicant)	
Inspection (additional or not ready )- Residential		Per Inspection	\$193.64	
Inspection (additional or not ready )- Non- Residential		Per Inspection	\$360.50	
Plan Review Resubmission (Greater than 3) - Residential		Per Resubmission	\$193.64	
Plan Review Resubmission (Greater than 3) — Non-Residential		Per Resubmission	\$360.50	
Notice of Change		Per Application	Fees based on permit type	\$206.00
Site Plan Control Review		Flat Rate	\$635.51	
Building Without a Permit	9(a)		2x Building Permit	
All Orders	9(b)	Flat Rate	\$281.19	
Lapsed Orders (applies to orders that have a lapsed compliance date.)		Per Month	\$500/month	
Maintenance Fee for Files Not Closed Within 24 Months		Per Year	\$1000 plus \$200 each month it remains open	

Notes:

- 1 Except where a minimum flat fee is indicated for the Occupancy Classification or Type of Construction, the fee per square meter of floor area set out in this Schedule shall be used by the Chief Building Official in determining the permit fee.
- 2 Permit fee increases are indexed based on the Consumer Price Index, Ontario Series, and are adjusted annually, beginning in 2026.
- 3 For the purpose of this Schedule the occupancy classification and floor area shall be determined on the following basis.
  - a) The occupancy classification shall be established in accordance with the occupancy definitions of the Ontario Building Code and its appendices.
  - b) The floor area shall be measured to the outer face of exterior walls and to the center line of party walls or demising walls. No deductions shall be made for openings within the floor area (e.g., stairs and stair openings, ducts, elevators, escalators). Floor area shall include all habitable areas, including attached garages, mezzanines, finished attics and enclosed balconies.
  - c) Calculating floor area for interior finishes, partitioning, corridors, lobbies, washrooms, lounges, etc. are to be included and classified according to the major occupancy classification for the floor area with which they are associated. Where any of these areas are constructed in a shell only building, fees shall be calculated at the finished rate in this Schedule.
  - d) The occupancy classifications used in this bylaw are based on the Building Code major occupancy classifications. For mixed occupancy floor areas, the fee multiplier for the major occupancy of the floor area applies.
- 4 No additional fee applies for sprinklers, fire alarms, electromagnetic locks, or other mechanical systems or equipment proposed and installed at the same time as the construction they serve.
- 5 Where they serve single dwelling units, no additional fee applies fireplaces and unfinished basements proposed and constructed at the same time as the single dwelling they serve.
- 6 Unfinished basements for single detached dwellings, semi-detached dwellings, duplex dwellings and townhouses are not included in the floor area.
- 7 The appropriate finished fee for the proposed major occupancy applies to non-residential and multiple unit residential basements.
- 8 Where a change of occupancy from one classification to another classification is proposed, the fee multiplier for the proposed occupancy applies.
- 9 Administrative Fees
  - a) To offset additional investigation and administrative costs where any person has commenced construction, demolition, or changes to the use of a building prior to having submitted an

application for a permit, or before having received a permit, in addition to any other penalty under the Act, Building Code, or this By-law, the permit fee shall be two times the regular permit fee. Payment of these fees does not relieve any person or corporation from complying with the Act, the Building Code, or any applicable law.

b) To offset additional costs associated with the investigation, inspection, administration, and rectification of any building where any Order is issued, a fee shall be applied as per the fee schedule. Payment of these fees does not relieve any person or corporation from complying with the Act, the Building Code or any applicable law.

c) With respect to phased or conditional permits, the fee shall be the normal fee for the proposed construction plus an additional administration fee as prescribed in this Schedule for each conditional permit or phased permit applied for.

d) Where the Township has contracted work to remedy any Building Code deficiency on any private property for failing to comply with a directive of the Chief Building Official, or Officers thereunder, the Township shall be entitled to recover the full cost of the work, plus a \$250 administration fee.