



REPORT

2025 Budget Committee

Meeting Date: October 22, 2024

FROM: Finance Department

DATE: October 15, 2024

SUBJECT: 2025 Rates and Fees

LOCATION: Town-wide

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RECOMMENDATION:

1. That the rates and fees established in the rates and fees schedule attached as Appendix A to the October 15, 2024 report from the Finance Department be reviewed for implementation on January 1, 2025.
2. That By-law 2024-156, a by-law to provide for the establishment of fees to be charged in the processing of applications made in respect of planning and development matters, subject to Supplemental Notes, and to repeal By-law 2023-003, attached as Appendix B to the October 15, 2024 report from the Finance Department be considered at the conclusion of the 2025 Budget process.
3. That amendments to existing by-laws containing fees be presented directly to Council for approval as required.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Rates and fees for all town programs have been reviewed as part of the 2025 budget process.
- The draft rate and fee increases maintain frontline town services and have been increased in line with the User Fee Policy while ensuring they continue to cover normal inflationary impacts.
- Council can increase the fees to bring programs closer to cost recovery.
- The additional revenue which will be realized from the proposed fee changes outlined in Appendix A totals approximately \$1,626,300. The fee adjustments are reflected in the programs in the 2025 staff prepared draft budget.

BACKGROUND:

The town's Rates and Fee Policy states that "the Town of Oakville will collect user fees to recover the costs of services where it is determined that a service provides

direct benefits to individuals, groups, and businesses, unless otherwise directed by Council.” The policy promotes full cost recovery of services for which user fees are charged and provides guidelines for exceptions. In addition, the policy requires that each year as part of the budget process the town updates its fees and charges charged under the Municipal Act 2001, section 69(1) of the Planning Act, and section 7 of the Building Code Act.

COMMENT/OPTIONS:

The annual review of fees and charges has taken place and results in the revisions to the fees as identified in Appendix A. The majority of the proposed changes have been prepared with the Mayor’s direction to increase fees in line with the User Fee Policy and maintaining frontline town services. Fee increases are necessary to ensure fees continue to cover inflationary impacts to program costs and not to add a further burden to the tax levy.

While the majority of the fees have been increased by 3.25%, there are some exceptions.

No increase is being proposed for some program fees including:

- Most fees for Clerk’s where the fees are for legislated services.
- Fees for certain hourly, daily and monthly parking locations along with electric charging stations as most of the unchanged rates were increased during 2024 while also ensuring parking rates are reasonable to continue to encourage residents and visitors to visit and explore our BIA locations.
- Certain fees under Municipal Enforcement Services for administrative penalty fees and parking enforcement fines as these fees are legislated and do not increase with inflation.
- Most fees under the Financial Services section for property tax services as most of the services or charges provided are not tied to inflationary impacts.
- Library fines and fees as per the Library’s budget submission.
- Building Services fees as Building Services operates under the enterprise model where all costs are recovered through fees. A review was done during 2024 and it was determined that they will be able to fully recover all costs based on anticipated building activity and the fees to be collected without having to increase the rates for permits and inspections.

There are new fees regularly introduced during the year and some fees that require increases that go above the recommended 3.25% as provided in the Mayor’s direction. These are usually done to ensure new services are captured, staff time and effort is in line with the cost to deliver a service, or to align fees with other fees already in place. These fees include:

- Hourly, daily, and monthly parking rates at various locations in Downtown, Kerr Village and Bronte Village. These rates have not been increased for a

number of years, some as far back as 2010. Most of the increases are either \$1.00 or \$5.00, including tax, and are related to daily or monthly rates. Some new fees are also being proposed related to parking spaces available for Filming productions. These new fees are listed and highlighted under Municipal Enforcement Services – Parking Operations.

- Various parking enforcement fines have been increased by \$5.00 as most of the rates have not changed since 2020.
- New rates for noise exemption under Municipal Enforcement Services are being introduced on approval of the 2024/25 noise by-law. These fees are \$400 and \$500 each related to construction noise exemption requests, depending on the number of days before the requested event.
- The Clerk's department has a new fee of \$50.00 for 2025 for a Temporary Liquor License Extension. This fee will provide a town clearance for the patio program restaurant.
- Two fees under Financial Services have been increased; a \$1.00 increase to arrears notice mailings which has not changed since 2017, and a \$5.00 increase to section 357 tax application appeals which was last increased in 2019 and is in-line with other municipalities rates.
- Certain fees under Cemeteries for miscellaneous inventoried items to account for the increased purchasing cost of these items.
- Harbours is increasing its non-refundable deposit from \$350 to \$400, as well as increasing the infrastructure fee per linear foot by \$1.15 from \$6.60 to \$7.75 to support the ongoing renewal of harbours infrastructure needs.
- Outdoor playing field hourly rental rates under Parks and Open Space are being increased 15% to improve cost recovery ratios using a phased-in approach in line with cost recovery ratio targets approved by Council.
- New fees are also being proposed under Parks and Open Space. Over the last 6 months staff from multiple departments have worked together to review and consider options for film shoot rates. This involved a market scan of other communities and their pricing schedules. Following a market scan of comparable municipalities, it is recommended to adjust Oakville's filming rates to remain competitive. The updated fee structure offers greater flexibility in booking times and introduces tiered pricing based on production size, addressing feedback from productions that their needs vary. For example, some productions may only require a portion of a facility, such as a portion of a parking lot, but the current fees charge for the entire space. These changes will help attract more productions, offer greater flexibility for productions as well as Town staff, reduces coordination time between departments, and streamlining the overall process.
- There are a few increases for Recreation and Culture that have necessitated an increase above the recommended 3.25%. These include some staff time for various functions under Facility Rentals to ensure the cost of staff is being recovered, some staff charge-back rates under the OCPA, and a few of the

per hour rates for Senior Services Programs which include \$0.50, \$0.56 and \$0.72 increases.

- The Driveway Windrow Snow Clearing program under Infrastructure Maintenance has a proposed increase to \$184 for the 2025/26 program, a greater than 50% increase over the 2024/25 program. The proposed 2025 base fee takes into account full cost recovery in running the program. The amount may be subject to change and will be confirmed after registration is complete for the 2024/25 season.

For 2025 there has been some consolidation of fees under the Community Development and Community Infrastructure commissions. Three schedules for 2024 have now been reduced to two schedules for 2025 by consolidating 'Planning Services' and 'Transportation Engineering - Development Services' into one department 'Planning and Development'. The Transportation and Engineering department will have one fee schedule under Right of Way Management. A few of the fees have been relocated across the two departments to better align the fee with the service where the function resides to ensure consistency across similar functions and support improved customer service. For 2025, the Planning and Development By-law has been updated to 2024-156 with a change to the by-law description as well as amendments to the Supplemental Notes in Schedule 'A'. The amended by-law is attached as Appendix B.

The fees as shown in Appendix A have been reflected in the staff recommended 2025 operating budget and are estimated to provide additional revenue of \$1,626,300. In most cases the revenue budgets reflect fee increases effective January 1, 2025, upon Council approval.

Adoption of the 2025 Operating Budget is scheduled to take place on December 19, 2024, subject to any amendments and/or vetoes as provided in the *Strong Mayors, Building Homes Act, 2022*. Should the budget be adopted on December 19, 2024, a motion will need to be passed at the December 19, 2024 Council meeting to approve the 2025 rates and fees along with By-law 2024-156 and they would take effect beginning on January 1, 2025. Should the budget not be adopted on December 19, 2024, a motion will need to be passed at a future Council meeting, presumably in January, to approve the 2025 rates and fees and By-law 2024-156 and they would take effect beginning on February 1, 2025.

CONSIDERATIONS:

(A) PUBLIC

The proposed fee increases have a financial impact on the program or service user. Public notice has been placed on the town website notifying the public that the 2025 rates and fees are being reviewed by the Budget Committee at

the meeting on October 22, 2024. Notices were also placed online through the Oakville Beaver's online digital platform.

(B) FINANCIAL

The proposed fees as identified in Appendix A have been reflected in the 2025 staff prepared draft budget. The additional revenue which will be realized in 2025 based on the proposed fee increases and the introduction of new fees is estimated to be \$1,626,300.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

All town departments updated their respective rates and fees schedule to reflect the proposed 2025 fees. Program budgets were also updated to reflect the estimated revenue resulting from the fee increase

(D) COUNCIL STRATEGIC PRIORITIES

This report addresses the Council strategic priority of accountable government.

(E) CLIMATE CHANGE/ACTION

N/A

APPENDICES:

Appendix A – 2025 Rates and Fees Schedule

Appendix B – DRAFT Planning and Development By-law 2024-156

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