# Development Application Fees Bylaw No. 12552

City o<sup>.</sup>

Kelowna

TA23-0007



#### **Purpose from Council Report**

To adopt Development Application Fees Bylaw No. 12552 to improve cost recovery and financial management on Development Applications.

# **Development Application Fees Bylaw**

Sets out application fees for development related activities:

- OCP & Rezoning & Variances
- Development Permits & Natural Environment Development Permits
- ► Heritage
- Subdivision
- Development Engineering Fees
- ► Signs
- More...

# Background

#### Comprehensive Study by Neilson-Welch

- •- Action Items
- •- Recommendations

#### Comprehensive Study by Deloitte LLP

- Guiding Principles
- Established Staff Hours



#### Development Application Fees Bylaw No. 10560

## Comprehensive Review

Active Financial Management

Continuous evaluation & improvement

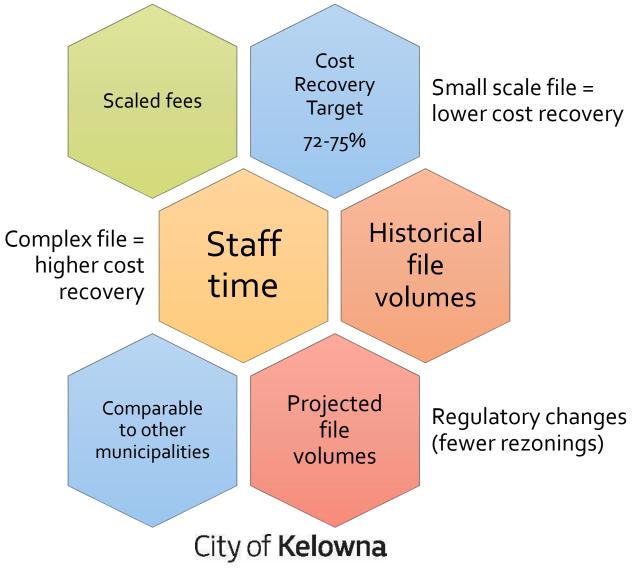
Profile of development applications has changed since 2015

Increasing complexity, scope, & innovation

- New policies & regulations (2040 OCP, Zoning Bylaw No. 12375)
- Additional inter-agency referrals (archaeology, interior health, etc.)

Comprehensive review of Staff hours for processing files

### **Guiding Principles**



### Outcome Summary

Introduction of new categories to scale fees:

- Zoning categories separated
- Development Permits scaled to unit count
- Heritage Alteration Permits under 50 m<sup>2</sup>
- Water and Sewer modelling
- Landscape Re-Inspection
- ► 5% Fixed-rate yearly increase
  - Transparency and certainty to development community
  - Continue to close the gap between other municipalities

### Outcome Summary

Carriage House, Child Care, Farm Residential Footprint decreased

- Low recovery rates for small-scale applications
  - RU4, Delegated Permits, 2-lot Subdivisions

High recovery rates for complex and time-consuming files

- Comprehensive Development Zone
- Text Amendments
- OCP Amendments

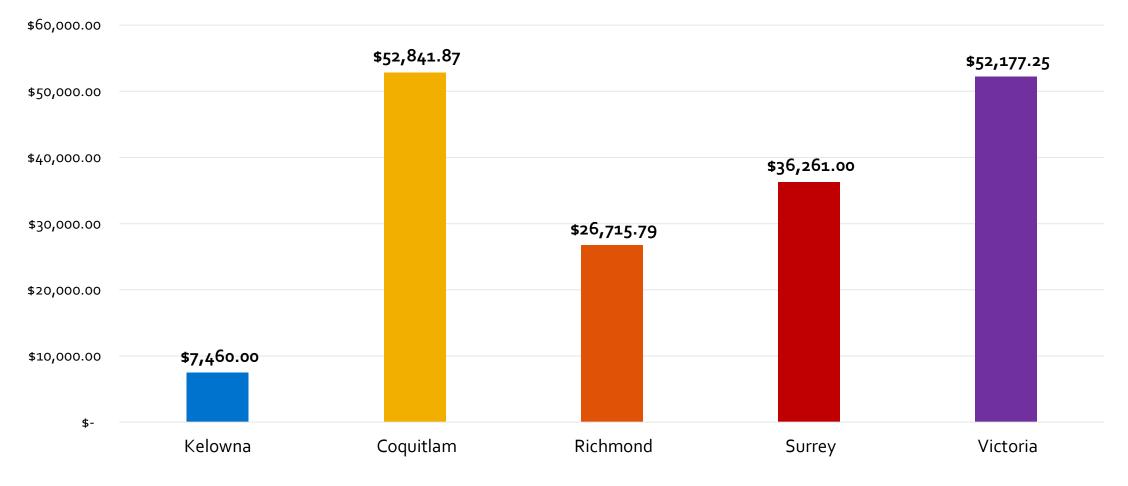
#### Development Scenarios Comparison to 2023

Project Type	Total Fee 2024	Total Fee 2023	Difference	Average Increase
<b>RU4 Duplex: 4 units</b> (Zoning & Subdivision)	\$4,350	\$3,940	\$410	\$102.50 per unit
<b>MF1 Infill: 4 units</b> (Zoning & Development Permit)	\$3,805	\$3,120	\$685	\$171.25 per unit
<b>MF2 Townhouses: 12 unit</b> (Zoning & Development Permit)	\$6,120	\$2,155	\$2,155	\$179.58 per unit
<b>MF3r Rental Apartment : 192 units</b> (Zone & Development Permit)	\$7,460	\$3,965	\$3,495	\$18.20 per unit
<b>Mixed-Use Tower: 261 units</b> (Development Permit & Variances)	\$7,305	\$3,690	\$3,615	\$13.85 per unit
<b>Comprehensive Development Zone (UBC)</b> (Text Amendment, Rezone, Subdivision, DP)	\$37,695	\$7,745	\$29,950	\$63.05 per unit
<b>Bare-Land Subdivision: 12 lots</b> (OCP Major, Zoning, Natural Environment, Subdivision)	\$13,690	\$11,110	\$2,580	\$215.00 per unit
Industrial Delegated DP: 6800 m <sup>2</sup>	\$6,760	\$1,050	\$5,710	\$0.84 per m²
Area Redevelopment Plan: 9.8 ha	\$141,960	\$10,545	\$131,425	\$1.33 per m <sup>2</sup>

# RU4 Duplex Rezoning & 2 Lot Subdivision



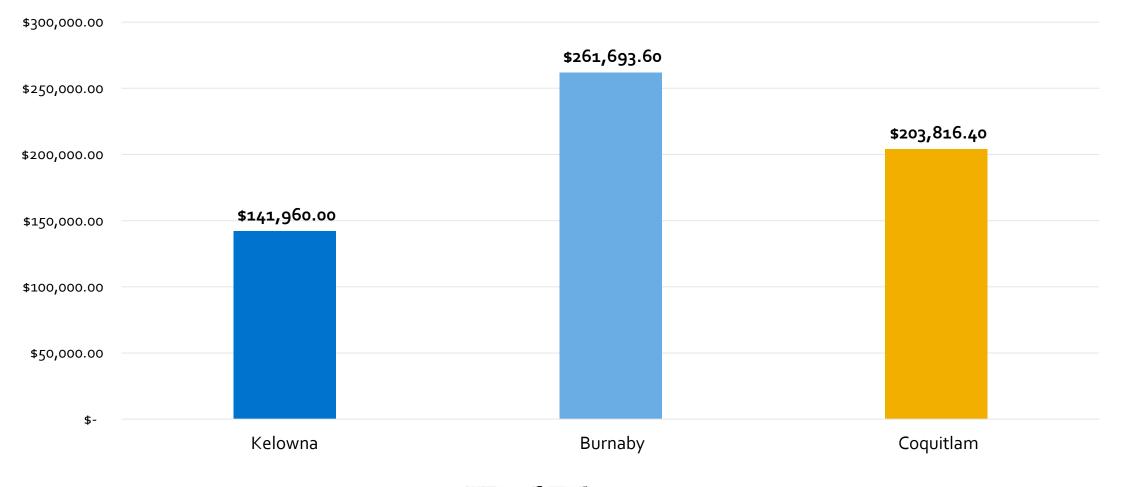
# MF3r Apartment Housing Rental Only (192 units)



#### Bare-land Subdivision (12 lots)



#### Area Redevelopment/Structure Plan



#### Conclusion

- Staff recommend support for the proposed Development Application Fees Bylaw No. 12552:
  - Active Financial Management
  - Improve cost recovery
  - Utilized guiding principles
  - Consistent with methodology and fees of other BC Municipalities



For more information, visit <u>https://www.kelowna.ca/homes-building/property-</u> <u>development/development-process-overview/proposed-development-application-fees-bylaw</u>