

REPORT

PREPARED BY HEMSON FOR THE CITY OF THOROLD

BUILDING DIVISION FEE STUDY

February 4, 2026



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CONTENTS

EXECUTIVE SUMMARY	3
1. INTRODUCTION	4
A. General Approach to Cost Recovery	4
B. General Approach to Benchmarking	5
C. Report Structure	6
2. ANALYSIS OF BUILDING CODE REVENUES	7
A. Overview of Building Permit Fees in Thorold	7
B. Historical Permit Applications and Fee Revenue	8
C. Projected Fee Revenue	13
3. ANALYSIS OF COSTS	15
A. Direct Costs	15
B. Indirect Costs	20
C. Reserve Fund Contributions	22
4. FULL COST RECOVERY BUILDING PERMIT FEES	26
A. Increases to Existing Fees	26
B. Changes to Existing Fee Structure	27
C. New Proposed Fees	28
5. BENCHMARKING	29
6. CONCLUSIONS AND RECOMMENDATIONS	31
APPENDIX A – BENCHMARKING ANALYSIS	32
APPENDIX B – PROPOSED FEE SCHEDULE	36

EXECUTIVE SUMMARY

In 2025, the City of Thorold retained Hemson Consulting Ltd. to undertake a comprehensive review of user fees charged under the *Building Code Act*. This report analyzes the full cost of providing Building Code services funded by user fees and makes recommendations for changing fees and fee structures.

The review is based on extensive research and analysis of municipal documents, including capital and operating budgets, by-laws, staff and consultant reports, and website materials from the City of Thorold and similar sized municipalities, as well as e-mail and video-conference interviews with City staff. Fee benchmarking was also undertaken to supplement the cost analysis as information on current and future costs and service levels is sometimes limited.

The analysis indicates that the full cost of administering and enforcing the Building Code during building construction is \$3,176,000 (2026\$). Of this amount, 62% is attributable to staff salaries and benefits, 10% is for other direct operating costs, 12% is for indirect costs, 2% is for capital-related costs, and 14% is for annual contributions to the Building Code Reserve Fund.

Building Code service revenues are estimated at \$2,160,000 under current fee rates. An overall increase of 32% in fees is therefore justified in order to achieve full cost recovery.

1. INTRODUCTION

Municipalities in Ontario are responsible for ensuring that the delivery of local services is undertaken in accordance with the provisions of Provincial legislation, including for Building Code related services. To offset the cost of providing services municipalities are permitted to charge fees and the City of Thorold has levied such fees for many years. Currently, the City levies fees through Building Fees By-law 56-2018.

Hemson Consulting Ltd. was retained to conduct an analysis of the cost of providing services and determine appropriate fee rates for recovering some or all costs as permitted under the *Building Code Act* and other applicable legislation. In addition to a review of the City's existing fees, potential new fees and other revenue generating strategies have been reviewed and included into the proposed user fee structure. This report summarizes the analysis results and makes recommendations for changing fees and fee structures. Fees for planning applications, as well as development charges and other fees, are not addressed in this report.

A. GENERAL APPROACH TO COST RECOVERY

The review is based on extensive research of municipal documents, including capital and operating budgets, by-laws, staff and consultant reports, and website materials of the City of Thorold and 8 similar sized municipalities in the Region of Niagara, as well as e-mail and video-conference interviews with City staff.

Unlike taxes, user fees are levied for a specific purpose and on the basis of recovering some or all of the cost of providing a municipal service to the person paying the fee. Where possible, this review establishes the cost of services provided by the City with a view to recommending an appropriate fee. In order to do this, two types of cost are distinguished:

- **Direct costs** – include the cost of staff (mainly wages and benefits) involved in providing a service.
- **Indirect costs** – include costs incurred by corporate and administration functions to support the direct service providers (e.g. the cost to provide building space). Indirect costs in Thorold comprise approximately 12% of total costs, which is slightly lower than Ontario municipalities of similar size.

B. GENERAL APPROACH TO BENCHMARKING

Fee benchmarking has been used in this report to supplement the cost analysis as information on current and future costs and service levels is not always complete or consistently available. The results of the benchmarking analysis for each service are discussed each relevant section of the report. Municipalities included in the benchmark review are set out in the table below.

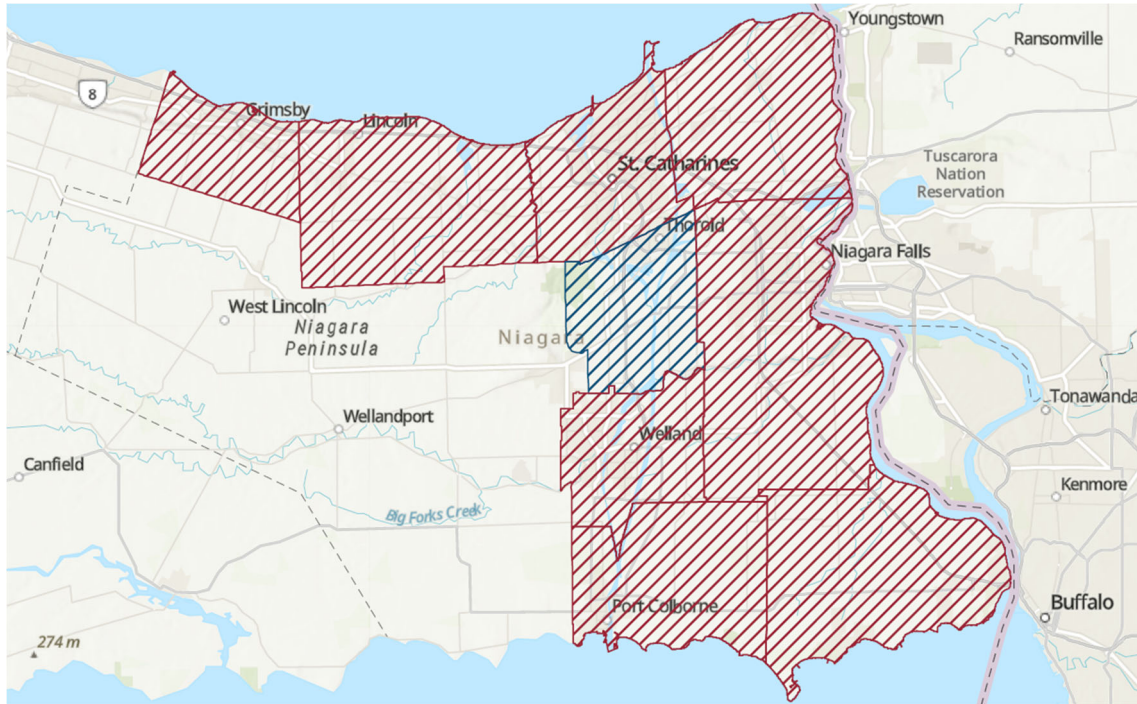
Table 1 – Population of Benchmarked Municipalities (2021)

Municipality	Population (2021)
St. Catharines	136,803
Niagara Falls	94,415
Welland	55,750
Fort Erie	32,901
Grimsby	28,883
Lincoln	25,719
Thorold	23,816
Port Colborne	20,033
Niagara-on-the-Lake	19,088
Average	48,601

Source: Statistics Canada, 2021 Census of Canada.

The location of the comparator municipalities is provided in Map 1 below.

Map 1 – Comparator Municipalities for Fee Benchmarking



Source: Hemson Consulting Ltd.

It is noted that that this broad comparison does not take into account any service level differences that may exist in terms of, for example, the scope, quality and speed of services that are provided in other municipalities.

As well, given differences in the nature of services that are delivered and fee structures in place, it is not possible to compare fee rates for many fees. The benchmark for each service area is therefore restricted to “like for like” fees.

C. REPORT STRUCTURE

After this introductory section, this report is organized into the following sections:

Section 2 sets out the fee calculations for the building permit fees, including a description of the service, the current fee structure, historical permit applications, and fee revenues, analysis of costs, and benchmarking results. A proposed fee schedule is provided, with changes to existing fee descriptions, as well as new fees, indicated in **red text** and provided in Appendix B.

Section 3 concludes the report and provides general building permit fee recommendations.

2. ANALYSIS OF BUILDING CODE REVENUES

This section calculates fees that recover the full cost of administering and enforcing the Building Code in accordance with the *Building Code Act*. These fees are imposed under By-Law 56-2018.

A. OVERVIEW OF BUILDING PERMIT FEES IN THOROLD

Section 3(2) of the *Building Code Act* require councils of municipalities to appoint a chief building official (CBO) and inspectors to carry out the enforcement of the Ontario Building Code.

A number of City staff are responsible for processing applications and conducting inspections in respect of building in Thorold. Generally, application review and building inspection work is carried out by the Building Division, led by the CBO. The Division's offices are located at 8 Carleton Street South in Thorold. For especially complex commercial applications, the Division has in past used external Registered Code Agencies to assist with the reviews.

Anywhere between 250 and 800 building permit applications are received annually by the department, and each application undergoes a detailed review process.

The Building Code requires that the City review different types of permit applications within prescribed timeframes where the application meets the criteria set out in the Code. Within these timeframes, the CBO must either issue the permit or refuse it with reasons for denial. The process usually involves one or more inspections of each building site.

Overall, 94% of the activities of the Building Department relate to Building Code activities. For the purpose of setting fees, current staff levels and organization are considered insufficient to cope with future permit activity. To maintain service levels, the City anticipates expanding the staff of the Building Division by three new full-time employees (FTEs) in the coming 5-year period, as follows:

- 1 new Supervisor, Building Inspections in 2028;
- 1 new Senior Plans Examiner in 2029; and
- 1 new Development Services Technician in 2030.

The direct and indirect costs associated with these additional staff have been accounted for in the fee calculations.

Building permit fees are collected when permits are applied for. As fees are based on the individual components of an application there is no set fee for any given application type. There are in fact 82 different fee rates in the current by-law.

The City currently uses several methods of charging fees. The bulk of the fees for new construction are based on building area (i.e. \$/square foot), by class and type of construction (new; additions; renovations), or flat administrative fees. However, there are also other fees based on construction value, staff hourly rates, and percentage of applicable fees. The full schedule of fees is available on the City's website.

B. HISTORICAL PERMIT APPLICATIONS AND FEE REVENUE

Over the ten-year period from 2015 to 2025, the City of Thorold issued an average of 496 building permits annually (see Table 2). Year-to-year permit activity, however, has been highly variable. Permit issuance reached a low of 250 permits in 2015 and peaked at approximately 800 permits in 2019. These permits reflect a broad mix of residential, commercial, industrial, institutional, and agricultural construction activity, and include new buildings, accessory structures, renovations, additions and alterations, and other forms of development.

Overall, the number of building permit applications increased steadily through 2019, when applications reached approximately 1.6 times the ten-year average. Although application volumes declined initially in subsequent years, permit activity remained elevated between 2020 and 2023 relative to the 2015–2017 period, indicating that development activity in the City continued at relatively high levels. By contrast, permit applications in 2015—the lowest year on record—were only 0.49 times the ten-year average.

Residential building permit applications were the primary driver of overall permit activity throughout the period, accounting for more than 75% of applications in almost every year. In 2018, 2019, 2022, and 2023—also the strongest years for total permit activity—residential applications comprised more than 90% of all permits issued. This pattern underscores the central role of residential development in driving growth within the City. Pool, business, and mercantile permits were also notable contributors to permit activity, although pool-related applications declined to zero after 2021. In contrast, industrial building permit applications increased steadily over the ten-year period.

Finally, miscellaneous permit applications remained consistently high throughout the period and, on average, represented the second-largest category by application count. This category includes Designated Structure, Sign, Solid Fuel Burning Appliance, Tent, and Exterior Plumbing permits, with Sign and Exterior Plumbing permits being the most common subcategories.

Table 2 – Building Permit Applications 2015-2025

Application Type	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 (YTD)	Average 2015-2025
Residential	166	262	330	589	732	436	485	611	484	364	236	436
Business	5	12	13	10	8	6	9	13	6	11	7	9
Mercantile	10	7	2	2	5	6	6	7	2	6	2	5
Industrial	6	8	10	6	7	18	12	16	4	12	6	10
Care/Treatment/Detention	0	1	0	0	0	0	2	1	0	0	1	1
Assembly Occupancy	5	12	9	8	9	6	11	7	7	12	14	10
Pool	19	18	16	12	19	30	29	0	0	0	0	6
Farm Building	0	2	3	3	2	7	3	1	0	2	2	2
Miscellaneous	34	16	18	20	23	14	15	25	17	27	16	20
Total Applications	245	338	401	650	805	523	572	681	520	434	284	496

Source: City of Thorold Building Division.

Building permit fee revenue has fluctuated over the last ten years with average revenue being approximately \$1.2 million (2025\$) per year since 2015. Annual revenues peaked at \$3.0 million in 2022, before declining to \$1.3 million in 2024 (see Table 3). The unusually high revenue recorded in 2022 is attributable in part to elevated fee revenues from large industrial and commercial projects, as well as a substantial increase in residential occupancy permit fee revenues, notwithstanding the fact that residential permits consistently account for the largest share of total permit fee revenues.

Table 3 presents a detailed breakdown of the City's historical building permit revenues and application volumes for the 2015–2025 period, while Figure 1 illustrates the relationship between permit activity and total fee revenue. Although the number of permits issued generally correlates with total revenues collected, the relationship is not exact. This is particularly evident in 2022, when peak permit fee revenues did not coincide with the highest number of permit applications, reflecting the influence of several large, high-value projects on total revenues in that year. Overall, both building permit fee revenues and application volumes have declined since 2021 and are now at their lowest levels observed over the past decade.

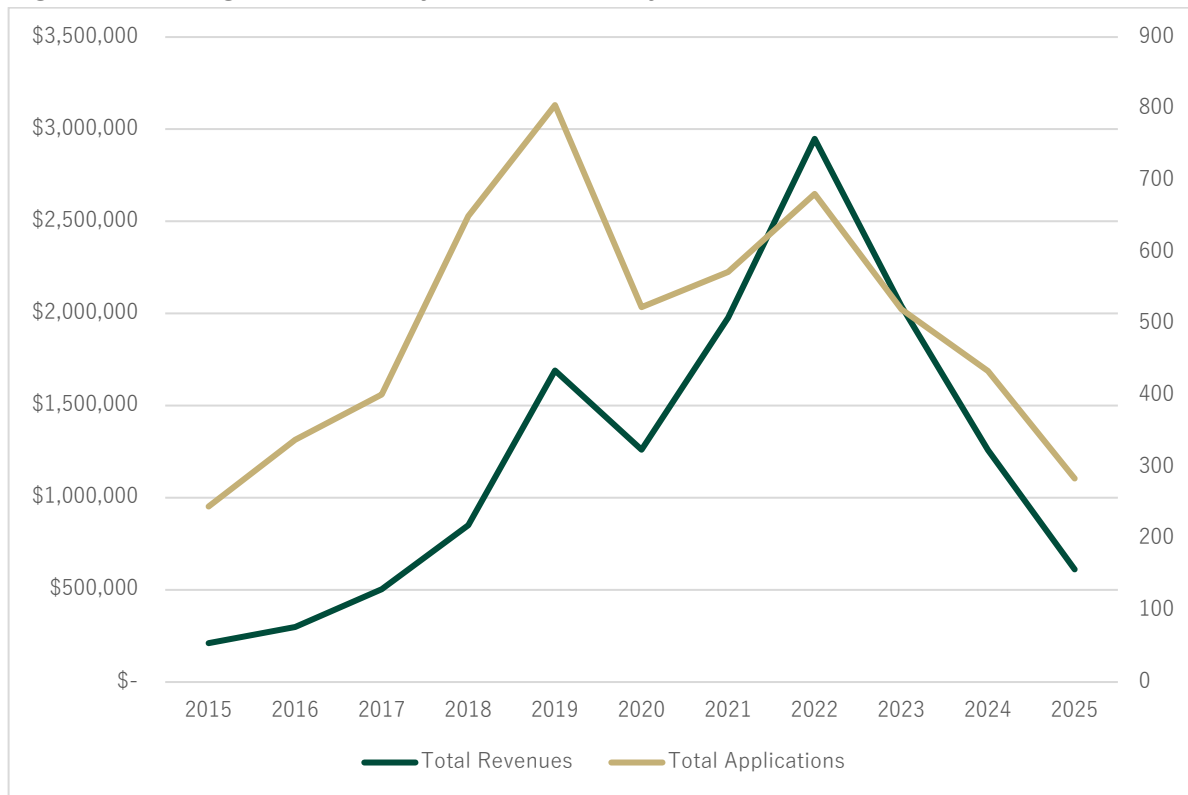
Table 3 – Building Permit Revenue 2015-2025

Detailed Fee Count	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 (YTD)	Average (2015-2025)
Residential	\$189,230	\$296,478	\$498,166	\$835,139	\$1,279,754	\$1,146,200	\$1,837,327	\$2,670,718	\$1,972,118	\$1,040,696	\$467,634	\$1,112,133
Business	\$4,369	\$240	\$165	\$0	\$0	\$6,380	\$42,092	\$116,398	\$14,655	\$40,363	\$34,084	\$23,522
Mercantile	\$6,339	\$0	\$0	\$0	\$638	\$1,945	\$7,041	\$31,409	\$2,211	\$12,141	\$394	\$5,647
Industrial	\$651	\$0	\$2,789	\$0	\$1,141	\$61,130	\$59,263	\$95,223	\$20,076	\$123,372	\$42,285	\$36,903
Care/ Treatment/ Detention	\$0	\$0	\$0	\$0	\$0	\$0	\$4,594	\$6,646	\$0	\$0	\$316	\$1,051
Assembly Occupancy	\$3,989	\$125	\$0	\$13,792	\$401,727	\$1,054	\$12,939	\$19,302	\$25,048	\$33,610	\$49,445	\$51,003
Pool	\$1,685	\$1,430	\$1,555	\$1,035	\$2,055	\$6,000	\$11,435	\$0	\$0	\$0	\$0	\$2,290
Farm Building	\$0	\$0	\$0	\$0	\$2,718	\$17,986	\$824	\$231	\$0	\$2,704	\$14,383	\$3,531
Miscellaneous	\$4,510	\$600	\$400	\$850	\$2,250	\$19,671	\$1,100	\$7,572	\$5,746	\$5,551	\$2,314	\$4,597
Total	\$210,773	\$298,873	\$503,075	\$850,817	\$1,690,283	\$1,260,366	\$1,976,615	\$2,947,500	\$2,039,854	\$1,258,437	\$610,855	\$1,240,677

Source: City of Thorold Building Division



Figure 1: Building Permit Activity & Revenue – City of Thorold 2015-2025



Source: City of Thorold Building Division

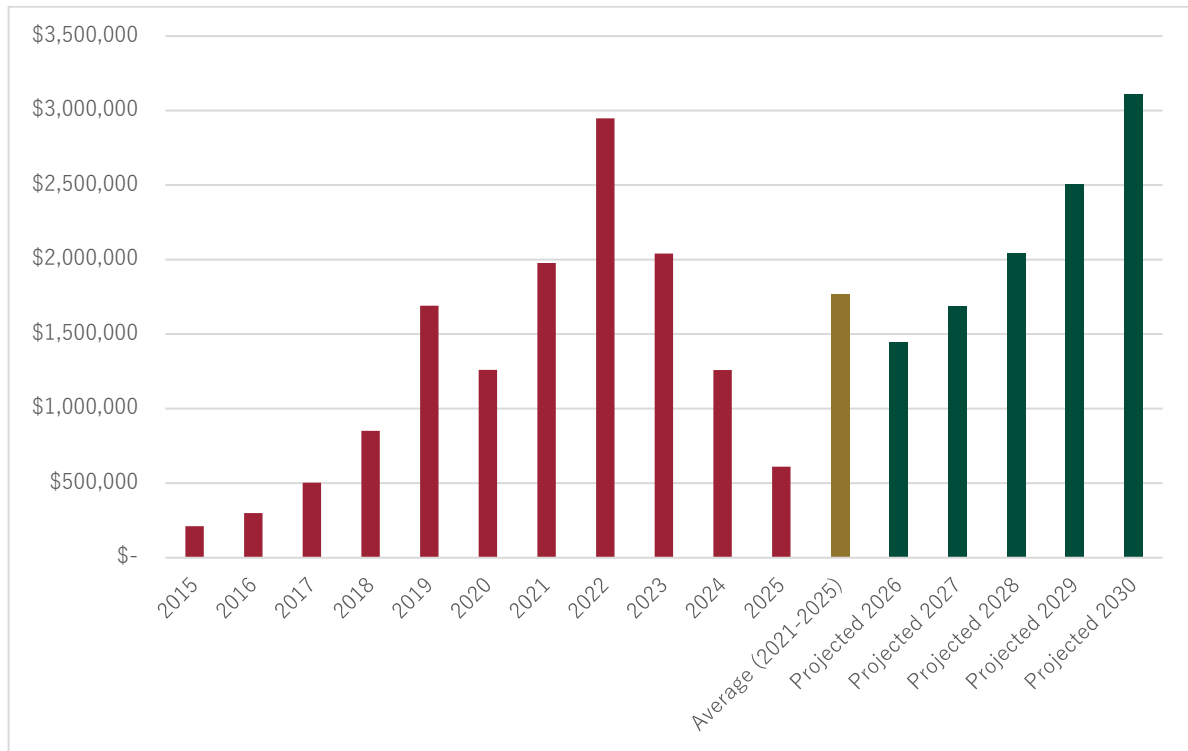
C. PROJECTED FEE REVENUE

A projection of future building permit fee revenue in Thorold has been prepared for fee setting purposes. Revenues over the next five-year period (2026–2030) are expected to exceed historical averages. Revenues in the first two years of the forecast period (2026 and 2027) are projected to be modestly higher than the historical average, with more pronounced increases beginning in 2028.

This upward trend reflects assumed growth in building permit applications over the forecast period, with application volumes projected to increase by 20% in 2026, 25% in 2027, and by 30% annually thereafter. These assumptions are informed by recent development activity and growth forecasts prepared as part of the City’s most recent Development Charges Background Study, and reflect continued strength in both residential and non-residential construction activity.

On average, annual building permit fee revenues over the 2026–2030 period are projected to be approximately \$2.2 million (see Figure 2), compared with a five-year historical average of \$1.8 million (2025 dollars). This increase relative to historical experience is consistent with recent development trends and the City’s longer-term growth outlook. Figure 2 provides a comparison of historical and projected building permit fee revenues.

Figure 2: Historical and Projected Building Permit Fee Revenue



Source: City of Thorold Building Division (historical) and Hemson Consulting (projected).

3. ANALYSIS OF COSTS

This section presents an analysis of the direct and indirect costs of administering and enforcing the Building Code in Thorold.

As noted in Section 1, the *Building Code Act* requires that permit fees not exceed “the anticipated reasonable costs to administer and enforce the Building Code during building construction”. In addition, municipalities are required to prepare annual reports that record the amount of fees received and the costs incurred in administering the process.

The Regulation requires that annual reports record both the direct and indirect costs of reviewing applications and conducting building inspections. In this regard:

- **Direct costs** include the costs of reviewing building permit applications and inspecting buildings; and
- **Indirect costs** include the support and overhead costs of administering and enforcing the process.

It is anticipated that the analysis of costs presented here will serve as a reference for future annual fee reports.

A. DIRECT COSTS

A number of City staff are responsible for processing applications in respect to Building Code matters. The majority of work relating to Building Code matters is done in the Building Division, although staff members in the Planning & Development, Engineering, and Fire Departments contribute time to the building permit application review process. All time spent by City staff reviewing building permit applications, inspecting buildings, carrying out other Building Code tasks within the building fee by-law, and the cost of the space and resources they use are direct costs. Time shares associated with this work have been determined based on detailed interviews with City staff and are displayed in Table 3.

Although a portion of staff time is directly involved with Building Code activities, some time is unrelated to “administration and enforcement of the Building Code during building construction” as defined by the *Act*. That time is excluded from the calculation of full cost recovery fees. The other staff time includes time spent on planning application reviews and by-law enforcement.

Table 3 summarizes the direct salary and benefit costs of providing services, as well as the share of employee time spent on Building Code related matters. These time shares were determined through discussions with staff and were used to calculate the share of salaries and benefits attributable to Building Code work, and therefore recoverable through building permit fees. Consistent with standard practice, the report does not disclose details of individual salaries or benefits. Salaries and Benefits amount to \$2.0 million and represent the largest component of direct costs (62%).

As noted previously, the City anticipates adding staff over the forecast period to maintain service levels in the face of increased permit activity. This includes a new Supervisor, Building Inspections in 2028, a Senior Plans Examiner in 2029, and a Development Services Technician in 2030. For cost allocation purposes, it is assumed that the Supervisor, Building Inspections will devote a similar share of time to Building Code-related activities as Building Inspectors (90%). For the other two positions, time allocations are assumed to mirror those of the existing comparable roles, for which time shares are already established.

Other (non-salary) direct costs have also been calculated (see Table 4). Other direct operating costs were allocated using department-specific methodologies. For the Fire Department, applicable operating costs were calculated by applying the average share of staff time devoted to Building Code activities to relevant direct operating expenditures in the City's 2025 budget, inflated to 2026 dollars. For the Planning & Development and Engineering Departments, applicable 2026 operating costs were multiplied by the proportion of each department's total salaries and benefits attributable to Building Code activities.

To determine the Building Division's other direct operating costs, a mix of these two methodologies was used. If 2026 operating budget line items were considered to be directly relevant to Building Inspector work, they would be multiplied by the Building Inspector time share of 90%. Otherwise, items deemed to be more general related Building Division work were multiplied by the share of the total Building Division salaries and benefits applicable to Building Code Activities.

A hybrid approach was used to determine the Building Division's other direct operating costs. Operating budget items directly related to Building Inspector activities were allocated using the Building Inspector time share of 90%. More general Building Division operating costs were allocated based on the share of total Building Division salaries and benefits attributable to Building Code activities. Expenditures related to Registered Code Agencies were fully allocated to Building Code services, as these activities are entirely attributable to Building Code responsibilities. Across the City, other direct operating costs applicable to

Building Code activities—including office supplies, uniforms and protective clothing, fuel, memberships, and professional development—total approximately \$319,000.

Space costs include shares operating costs related to building maintenance like hydro, heating, and cleaning. These costs are reflected in other direct costs and are based on operating budget expenditures.

Table 3 – Building Code Direct Costs – Salaries and Benefits - 2026

Staff Position	Support of Building Code Time Shares
Chief Building Official	90%
Building Manager	95%
Building Inspector	90%
Supervisor, Building Inspections	90%
Project Manager, Engineering Department	17.5%
Engineering Tech	5%
Plans Examiner	100%
Senior Plans Examiner	95%
Clerk	100%
Development Services Technician	100%
Development Planner	5%
Development Coordinator	0%
Planning Clerk	2%
Manager of Planning	0%
Fire Prevention Officer	35%
Total Salaries and Benefits – Building Code Activities	\$1,954,300

Source: Based on salary shares of individual staff provided by the City of Thorold Finance Department, which are not displayed in this report. Time Share percentages determined through discussions with City staff.

Table 4 – Other Direct Costs Attributable to Building Code Activities - 2026

Department	Other Direct Costs in Operating Budget	% Allocated to Building Code	Other Direct Operating Costs for Building Code
Building	\$353,079	78%-100%	\$297,920
Planning	\$119,274	1%	\$730
Fire	\$41,232	35%	\$14,431
Engineering	\$109,533	5%	\$5,843
Total	\$623,118	51%	\$318,925

Source: City of Thorold 2025 Budget.

A provision for capital replacement costs for assets associated with Building Code services was also determined (see Table 5). Capital replacement costs were based on a 50-year lifecycle for buildings and a 10-year lifecycle for vehicles. Thirteen capital assets associated with the Building Division, Planning & Development Department, Engineering Department, and Fire Department were identified as eligible for funding through building permit fees. These assets include office facilities used by the respective departments and vehicles used in the delivery of Building Code-related services. For each asset, the replacement cost was identified and converted into an equivalent annual provision.

An estimated share of each capital asset attributable to Building Code activities was then applied, using an approach consistent with the allocation of other direct costs. For the Building Division’s share of the 8 Carleton Street facility, the allocation was based on the proportion of Building Division full-time equivalent staff relative to total staff housed in the facility. The allocation for Building Division vehicles was based on the proportion of time building inspectors devote to Building Code activities, as these vehicles are used primarily for inspections and related functions. Similar time-based allocations were applied to Engineering and Fire Department vehicles, based on the time shares of the Project Manager (Engineering) and Fire Prevention Officers, respectively. Allocations for buildings used by the Fire, Planning & Development, and Engineering Departments were derived from the City’s 2024 Development Charges Background Study.

Based on this analysis, capital costs attributable to Building Code activities total approximately \$79,000 per year. It is recommended that a portion of annual building permit fee revenues, equivalent to these capital cost shares, be set aside in a reserve fund to support the long-term replacement of buildings and vehicles used in the delivery of Building Code services.

Table 5 – Summary of Capital Replacement Costs

Department & Project	Timing	First Year Replacement	Useful Life	Gross Cost	Replacement Amount	Annual Provision	Building Code Share %	Building Code Share
Building - 8 Carleton Street Facility	2026	2076	50	\$15,200,000	\$40,912,000	\$302,000	8%	\$25,000
Building - Ford Edge #112	2021	2031	10	\$60,000	\$66,000	\$5,000	90%	\$5,000
Building - Ford Edge #113	2023	2033	10	\$60,000	\$69,000	\$6,000	90%	\$5,000
Building - Ford Edge #121	2025	2035	10	\$60,000	\$72,000	\$6,000	90%	\$5,000
Building - Ford Edge #122	2027	2037	10	\$60,000	\$75,000	\$6,000	90%	\$6,000
Building - Ford Edge #124	2029	2039	10	\$60,000	\$78,000	\$6,000	90%	\$6,000
Building - Ford Escape #130	2031	2041	10	\$60,000	\$81,000	\$7,000	90%	\$6,000
Engineering - W027 Ford F150 (or W019 Ford F150)	2026	2036	10	\$60,000	\$73,000	\$6,000	17.5%	\$1,000
Fire - Ford 4x4	2026	2036	10	\$60,000	\$73,000	\$6,000	35%	\$2,000
Fire - Dodge Durango	2026	2036	10	\$60,000	\$73,000	\$6,000	35%	\$2,000
Fire - 1600 McLeary (Station 1)	2026	2076	50	\$6,400,000	\$17,226,000	\$127,000	5%	\$6,000
Planning - 8 Carleton Street Facility	2026	2076	50	\$15,200,000	\$40,912,000	\$302,000	2%	\$6,000
Engineering - 1543 Beaver Dams Roads	2026	2076	50	\$9,000,000	\$24,224,000	\$179,000	2%	\$4,000
Total				\$46,340,000	\$123,934,000	\$964,000		\$79,000

Source: City of Thorold 2025 operating budget, information from staff, and City of Thorold DC Study.

B. INDIRECT COSTS

The indirect (overhead) costs of Building Code activities in Thorold represent the share of costs of the City's corporate departments that can be reasonably be attributed as administrative and overhead support of Building Code services. The indirect costs were calculated based on what drives the cost of the corporate departments' support of Building Code activities.

The indirect costs are calculated in two steps:

- First, shares of corporate costs were calculated for each department that provides support for Building Code services. For most corporate departments, these shares were calculated based on the proportion of Building Division full-time equivalent (FTE) staff relative to total City FTEs. Three exceptions were applied to better reflect cost drivers:
 - for Members of Council and the Office of the Administrator, the cost share was based on the Building Division's proportion of the City's eight departments; and
 - for the Office of the Treasurer, the cost share was based on the proportion of the Building Division's operating budget relative to the City's total operating budget.
- Second, the portion of corporate support costs attributable specifically to Building Code activities was estimated by applying the share of Building Code wages and benefits attributable to Building Code work relative to total salaries and benefits within the Building Division.

Table 6 summarizes the calculation of indirect costs. The calculated cost shares were applied to each department's 2026 projected net operating costs, excluding expenditures related to services that are clearly unrelated to support of Building Code activities. Based on this analysis, the total indirect costs attributable to Building Code activities is \$392,000.

Table 6 – Building Code Indirect Costs – 2026

Corporate Departments	Net Operating Budget Summary (\$2026)	Unattributable Costs	Net Operating Costs	Cost Driver		Support of Building Division	Building Code Share	Support of Building Code
				%	Description			
Office of the Treasurer	\$3,281,000	\$249,000	\$3,033,000	6%	% of Budget	\$173,000	78%	\$135,000
IT	\$619,000	\$79,000	\$540,000	8%	# of Staff FTEs	\$45,000	78%	\$35,000
Office of the Clerk	\$837,000	\$11,000	\$826,000	8%	# of Staff FTEs	\$69,000	78%	\$54,000
Members of Council	\$341,000	\$23,000	\$317,000	13%	# of Business Units	\$40,000	78%	\$31,000
Human Resources	\$304,000	\$15,000	\$289,000	8%	# of Staff FTEs	\$24,000	78%	\$19,000
Property Administration	\$376,000	\$53,000	\$323,000	8%	# of Staff FTEs	\$27,000	78%	\$21,000
Office of the Administrator	\$1,044,000	\$48,000	\$996,000	13%	# of Business Units	\$125,000	78%	\$97,000
Total	\$6,802,000	\$478,000	\$6,324,000			\$502,000		\$392,000

Source: City of Thorold 2025 Budget.

Cost Driver	Formula	Percentage
% of Budget	Applicable Share of Building Department Budget / Total Operating Budget	2,702,000/47,281,000 6%
# of Staff FTEs	Number of Building Division Staff / Total Number of Staff	16/192 8%
# of Business Units	Protection to Persons and Property / Total Number of Departments	1/8 13%

Source: City of Thorold Finance Department and City of Thorold 2025 Budget.

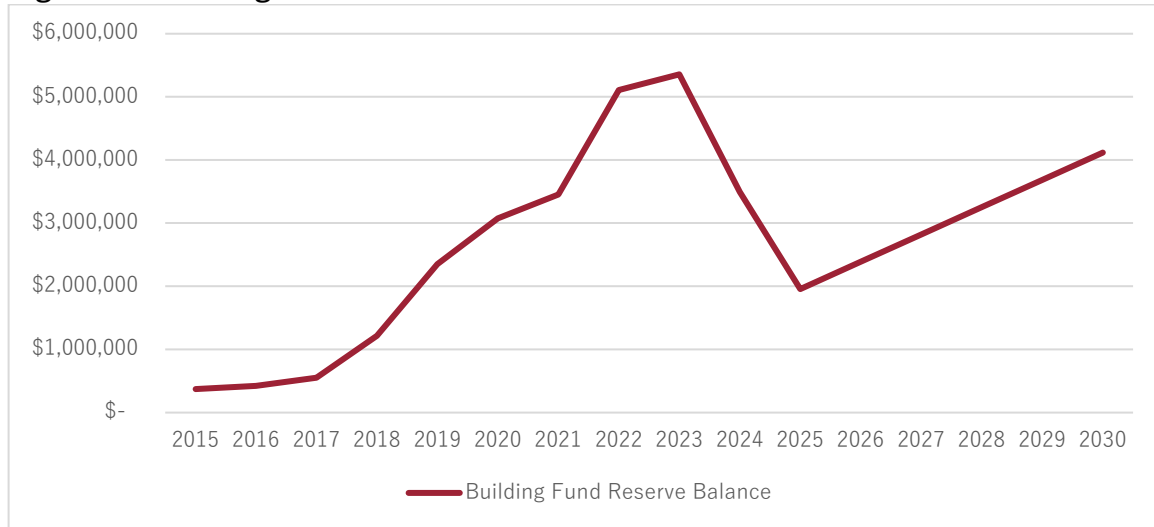
C. RESERVE FUND CONTRIBUTIONS

The *Building Code Act* allows for the factoring of anticipated costs when determining the full cost of providing Building Code services.

The Act does not require municipalities to adjust their fees every year in order to match their costs. As the majority of Building Code costs are payroll costs, it would be impractical to even attempt to match revenues and costs on an annual basis. Although building activity is expected to be relatively strong over the next five years, there will likely be fluctuations in both the number of permit applications and the amount of permit revenue from any one year to the next. Such variation has occurred in the past and could result in an imbalance between costs and revenues. In years of high activity revenues will likely exceed costs. However, in quieter years, costs may well exceed revenues.

The City has in place a reserve fund for Building Code fees with an estimated 2025 closing balance of \$2.0 million. Figure 3 illustrates the historical closing balances of the City's Building Permit Fee Reserve Fund. While the City was able to accumulate a substantial reserve during periods of elevated building permit revenues, the reserve balance has declined steadily since its peak in 2023. This decline is largely attributable to reduced building permit fee revenues, which have necessitated drawdowns from the reserve to support ongoing service costs. With the proposed annual contribution, the reserve fund balance is projected to increase to approximately \$4.1 million by 2030. This level would meet the target of 1.5 times total Building Code service expenditures, which are projected to be approximately \$2.7 million in 2030. Table 7 provides a detailed summary of the historical and projected reserve fund closing balances underlying the trends shown in Figure 3.

Figure 3 – Building Permit Fee Reserve Fund Balance – 2015-2030



Source: City of Thorold Finance Department (historical closing balances), Hemson Consulting Ltd. (Projected Closing Balances).

To enable the City to continue managing fluctuations in building permit fee revenues, as well as legal and capital-related expenditures, through the use of the reserve fund, an annual contribution of \$432,000 to the Building Permit Fee Reserve Fund has been incorporated into the proposed fee structure. The target reserve fund balance has been established at 1.5 times total annual Building Code service expenditures within five years (by 2030). It is recommended that the City reassess both the reserve fund balance and the appropriateness of this target as part of a future fee review at the end of the five-year period.

Table 7 – Building Permit Fee Reserve Fund Balance – 2015-2030

Year	Closing Balance
2015	\$372,049
2016	\$420,113
2017	\$549,132
2018	\$1,214,977
2019	\$2,349,348
2020	\$3,075,314
2021	\$3,452,504
2022	\$5,107,279
2023	\$5,357,267
2024	\$3,492,928
2025	\$1,955,239
2026	\$2,387,301
2027	\$2,819,364
2028	\$3,251,427
2029	\$3,683,490
2030	\$4,115,553
Total Direct, Indirect & Capital Costs	\$2,744,000
Reserve Fund Balance in 2030	\$4,146,000
Ratio of Reserve Fund to Total Costs	150%

Source: City of Thorold Finance Department (historical), Hemson Consulting Ltd. (projected).

A summary of the cost analysis is displayed in Table 8 below. It shows that the total cost of administering and enforcing the Building Code in the City is \$3,176,000, of which 62% are direct costs, 10% are other direct costs, 12% are indirect costs, 2% are capital-related costs, and 14% is a provision for annual reserve fund contributions.

Table 8 – Summary of Costs – 2026\$

Cost Type	\$	%
Salaries and Benefits	\$1,954,000	62%
Other Direct	\$319,000	10%
Indirect	\$392,000	12%
Total of Direct + Indirect	\$2,665,000	84%
Capital	\$79,000	2%
Total of Direct + Indirect + Capital	\$2,744,000	86%
Reserve Fund Provision	\$432,000	14%
Total	\$3,176,000	100%

4. FULL COST RECOVERY BUILDING PERMIT FEES

This section presents full cost recovery building permit fees in light of the cost analysis presented above. The full cost recovery analysis demonstrates that the City is currently subsidizing the building permit review process through the tax rate. Given the provisions of the *Building Code Act*, Council has the authority to increase the current fees in order to recover the full cost of the process. Based on the estimated costs compared to the anticipated average fee revenue over the next five years, a fee increase of 32% is justified.

A. INCREASES TO EXISTING FEES

The analysis shows that the projected average annual cost of administering and enforcing the Building Code in Thorold over the five-year period from 2026 to 2030 amounts to \$3,176,000. Under current fees, average annual permit revenue during the same time period is anticipated to be \$2,160,000. This results in an annual shortfall of \$1,016,000. As a result, in order to achieve full cost recovery an overall increase in the current fees of 32% is required. The calculation supporting this increase is shown below:

Projected Average Annual Costs (2026-2030)	\$3,176,000
Average Anticipated Annual Revenues (2026-2030)*	\$2,160,000
Required Increase for Full Cost Recovery	32%

*based on current fee rates

It is recommended that the required fee increase be applied broadly across the City's building permit fees. Limited exceptions have been made where adjustments to individual fees or fee structures were informed by staff feedback or service delivery considerations.. The proposed full cost recovery fees, together with a comparison to current fees and a description of changes to the fee structure (shown in red is provided in Appendix B.

i. Impact of New Fees

Unlike most other municipalities, the City has not indexed its building permit fees over the past 7 years. Had fees been indexed at 3% per annum over this period, current rates would likely be 23% higher than those currently in effect. When viewed in this context, the effective increase associated with the proposed fee changes is closer to

9%, rather than the full 32% increase identified above.

For illustrative purposes, the impact of a 32% fee increase on a typical new single-detached dwelling of approximately 2,000 square feet would be an increase in the total building permit fee from \$2,820 to \$3,720 - an increase of approximately \$900.

B. CHANGES TO EXISTING FEE STRUCTURE

Based on discussions with City staff, several revisions to the existing fee structure are proposed in addition to the overall fee increase required to achieve full cost recovery. These proposed changes are intended to better align fees with service effort, complexity, and administrative practice, and include the following:

- revision of fee rates across many categories to reflect a new minimum permit fee of \$256.58;
- adjustment of select fee rates—such as those applicable to Group E and Group F plumbing and mechanical work—by amounts greater than the general 32% increase, to better reflect service costs;
- division of the Group C permit fee for multiple-unit apartment buildings into two categories: buildings above 18 metres in height; and buildings below 18 metres;
- revision of certain fees to incorporate the minimum permit fee plus an hourly full cost recovery rate for Building Inspector services, calculated at \$101.65 per hour;
- introduction of an hourly fee for work exceeding 14 hours in duration for Conditional Permit applications;
- revision of the fee for reviews of Alternative Solutions to consist of a flat base fee plus an hourly charge for work exceeding 14 hours;
- restructuring of the buried piping fee to include two components: a fee for the first 50 feet and a separate per-foot rate for lengths exceeding 50 feet; and
- adjustments to deposit amounts, with many deposits reduced, while others—such as lot grading deposits—remain unchanged based on staff input.

C. NEW PROPOSED FEES

In addition to the revisions to existing fees, it is recommended that the City introduce new fees for the following services and permit types:

- secondary units and garden suites;
- electromagnetic locks;
- HVAC replacement or alterations;
- signs requiring engineer's design;
- construction projects for Buildings not described in Sections 7.3a or 7.3b of the by-law or additions with a construction value of less than \$40,000; and
- planning zoning reviews (per applicable law);

It is also recommended that the City move certain licensing fees such as for liquor, bed, and breakfast, and for refreshment vehicles to the Clerks fees section.

5. BENCHMARKING

In order to provide an understanding of the current and full cost recovery fee rates in Thorold in relation to similar municipalities, a building permit fee comparison was prepared. The results of this comparison are presented in the Appendix A. The rates for the other municipalities are those that are currently in force and may not recover the full cost of providing building permit review services.

The analysis indicates the following:

- The City of Thorold's current building permit fees generally fall within the mid-range of the benchmarked municipalities. Fees for Group C – Residential permits are at or near the lower end of the benchmark range. This is notable given that Group C – Residential permits account for the majority of the City's permit applications and associated fee revenues (see Table 2).
- Fees for all other permit categories are also below the average of the comparator municipalities. In several instances, the City's fees are among the lowest in the benchmark group, particularly for Group C – Residential, Group E – Mercantile, and Group F – Industrial permit categories.
- Adoption of the calculated full cost recovery fee rates would position the City's fees above the benchmark average and closer to the upper end of the benchmark range for certain permit types, including Group C – Residential permits for new low- and high-density buildings, as well as Group A – Assembly Occupancy and Group B – Institutional Occupancy alteration and renovation permits. Importantly, none of the proposed fees exceed the maximum levels observed among the benchmarked municipalities, and many would remain well below those charged elsewhere.

It is noted that several neighbouring municipalities within the Region are currently undertaking building permit fee reviews to better align fees with service delivery costs. As these updates are implemented, the City's proposed fees are expected to trend closer to the average of the benchmarked municipalities over time.

Finally, it is noted that this comparison does not take into account any service level differences that may exist between municipalities in terms of, for example, the time taken to process an application or the level of customer service provided to applicants. The City of Thorold currently maintains a high standard of service in the processing of building permit

applications. Implementation of the proposed fee rates would support the continued delivery of these service levels on a financially sustainable basis.

6. CONCLUSIONS AND RECOMMENDATIONS

This section provides general user fee recommendations over and above the service-specific recommendations set out in each section above. In this respect, it is recommended that the City:

- undertake a comprehensive fee review every five years to ensure that its fees are achieving appropriate cost recovery and are aligned with municipal benchmarks;
- ensure that user fees are increased at the same (or greater) rate as increases in program operating costs. In keeping with municipal leading practices, this means that the City should automatically index its fees on an annual basis to cover changing costs arising from inflation and (given that the majority of costs are payroll-related) wage agreements;
- adjust the fee schedule and introduce revised fees outlined in Appendix B of this report;
- set aside a portion of annual building permit fee revenues, equivalent to these capital cost shares, in a reserve fund(s) to support the long-term replacement of buildings and vehicles used in the delivery of Building Code services;
- move certain licensing fees such as for liquor, bed, and breakfast, and for refreshment vehicles to the Clerks fees section of the user fee by-law;
- monitor municipal benchmark fees annually for key services and programs to ensure its fees remain competitive; and
- continue to make information on fees accessible to the public via the municipal website.

APPENDIX A

BENCHMARKING ANALYSIS

BENCHMARKING ANALYSIS

Fee benchmarking is used throughout this report to complement the cost analysis and to assess the extent to which the proposed fees are consistent with those charged in comparable municipalities. For this purpose, the following municipalities were selected as comparators for the City of Thorold:

- City of Niagara Falls
- City of St. Catharines
- City of Welland
- City of Port Colborne
- Town of Niagara-on-the-Lake
- Town of Grimsby
- Town of Lincoln
- Town of Fort Erie

A comprehensive benchmarking analysis was undertaken for all relevant fee categories addressed in this report. Building permit fee schedules for each of the eight comparator municipalities were reviewed and analyzed. The tables that follow present the results of this analysis, illustrating how each of the City of Thorold's fees compares with the minimum, maximum, average, and median fees charged by the benchmarked municipalities.

Appendix A - Table 1

DESCRIPTION	CITY OF THOROLD					AVERAGE OF BENCHMARKS		MINIMUM OF BENCHMARKS		MAXIMUM OF BENCHMARKS		MEDIAN OF BENCHMARKS	
	Flat Fee	Fee per Sq. Ft	Indexed Fee per Sq. Ft	New Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Flat Fee	Fee per Sq. Ft	Flat Fee	Fee per Sq. Ft	Flat Fee	Fee per Sq. Ft
Group A - Assembly Occupancies													
New Addition - Shell							\$2.07		\$1.63		\$2.38		\$2.20
New Addition - Finished		\$2.07	\$2.55	\$2.73			\$2.42		\$1.91		\$3.02		\$2.38
Alterations & renovations		\$0.86	\$1.06	\$1.14		\$279.30	\$0.97	\$279.30	\$0.75	\$279.30	\$1.17	\$279.30	\$0.98
Shell Finishing							\$1.17		\$1.17		\$1.17		\$1.17
Group B - Institutional Occupancy													
New Addition - Shell							\$1.87		\$1.87		\$1.87		\$1.87
New Addition - Finished		\$2.32	\$2.85	\$3.06			\$2.59		\$2.19		\$3.31		\$2.58
Alterations & renovations		\$0.86	\$1.06	\$1.14		\$279.30	\$0.99	\$279.30	\$0.75	\$279.30	\$1.20	\$279.30	\$0.99
Shell Finishing							\$1.17		\$1.17		\$1.17		\$1.17
Group C - Residential													
Residential - Low Density		\$1.41	\$1.73	\$1.86			\$1.67		\$1.41		\$2.16		\$1.68
Residential - High Density (stacked towns, triplex)		\$1.43	\$1.76	\$1.89			\$1.66		\$1.43		\$2.16		\$1.61
Residential - High Density (Apartments)		\$1.43	\$1.76	\$1.89			\$1.66		\$1.43		\$2.16		\$1.56
Residential (Multi-units shell)													
Hotels, Motels with residential occupancy		\$1.60	\$1.97	\$2.11			\$1.68		\$1.48		\$2.16		\$1.60
Attached Accessory - Covered decks, porches, etc.		\$0.46	\$0.57	\$0.61		\$195.00	\$0.74	\$195.00	\$0.46	\$195.00	\$1.60	\$195.00	\$0.63
Attached Accessory - Uncovered decks, porches, etc.		\$0.42	\$0.52	\$0.55		\$232.33	\$0.77	\$195.00	\$0.42	\$263.00	\$1.60	\$239.00	\$0.59
Detached accessory-sheds, gazebo		\$0.46	\$0.57	\$0.61		\$195.00	\$0.76	\$195.00	\$0.40	\$195.00	\$1.60	\$195.00	\$0.62
Renovating unfinished space (e.g. basement)		\$0.33	\$0.41	\$0.44			\$0.81		\$0.33		\$1.50		\$0.85
Alterations & renovations		\$0.56	\$0.69	\$0.74		\$279.30	\$0.83	\$279.30	\$0.56	\$279.30	\$0.99	\$279.30	\$0.88
Shell Finishing													
Group D - Business and Personal Services													
New Addition - Shell		\$1.45	\$1.78	\$1.91			\$1.80		\$1.14		\$2.47		\$1.71
New Addition - Finished		\$1.84	\$2.26	\$2.43			\$2.24		\$1.47		\$2.99		\$2.20
Restaurants - Shell													
Restaurants - Finished													
Alterations & renovations		\$0.86	\$1.06	\$1.14		\$279.30	\$0.95	\$279.30	\$0.75	\$279.30	\$1.17	\$279.30	\$0.92
Shell Finishing							\$0.95		\$0.75		\$1.17		\$0.93
Group E - Mercantile													
New Addition - Shell		\$0.86	\$1.06	\$1.14			\$1.71		\$0.86		\$2.47		\$1.65
New Addition - Finished		\$1.81	\$2.23	\$2.39			\$2.21		\$1.47		\$2.99		\$2.06
Alterations & renovations		\$0.70	\$0.86	\$0.92		\$279.30	\$0.91	\$279.30	\$0.70	\$279.30	\$1.17	\$279.30	\$0.88
Shell Finishing							\$0.95		\$0.75		\$1.17		\$0.93
Group F - Industrial													
New Addition - Shell		\$0.53	\$0.65	\$0.70			\$0.99		\$0.53		\$1.27		\$1.12
New Addition - Finished		\$1.17	\$1.44	\$1.54			\$1.52		\$1.17		\$1.98		\$1.45
Repair garages, car washes		\$1.17	\$1.44	\$1.54			\$1.21		\$1.17		\$1.24		\$1.21
Parking garages (open air)							\$1.00		\$0.75		\$1.34		\$0.95
Parking garages (enclosed/underground)		\$0.88	\$1.08	\$1.16			\$1.02		\$0.78		\$1.34		\$1.00
Farm Buildings		\$0.29	\$0.36	\$0.38			\$0.47		\$0.29		\$0.70		\$0.44
Alterations & renovations		\$0.40	\$0.49	\$0.53		\$279.30	\$0.79	\$279.30	\$0.40	\$279.30	\$1.11	\$279.30	\$0.84
Shell Finishing							\$0.87		\$0.87		\$0.87		\$0.87

Appendix A - Table 2

DESCRIPTION	CITY OF ST. CATHERINES			CITY OF NIAGARA FALLS			CITY OF WELLAND			TOWN OF FORT ERIE			TOWN OF GRIMSBY			TOWN OF LINCOLN			CITY OF PORT COLBOURNE			TOWN OF NIAGARA-ON-THE-LAKE		
	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee	Flat Fee	Fee per Sq. Ft	Min Fee
Group A - Assembly Occupancies																								
New Addition - Shell					\$2.20	\$239.00								\$1.63	\$195.00								\$2.38	\$230.00
New Addition - Finished		\$2.99	\$181.25		\$2.75	\$239.00		\$2.46	\$195.00		\$2.19	\$197.00		\$1.91	\$195.00		\$1.99	\$221.45		\$2.38	\$155.00		\$3.02	\$230.00
Alterations & renovations	\$279.30				\$1.17	\$239.00		\$0.75	\$195.00		\$1.07	\$197.00		\$0.93	\$195.00		\$1.11	\$221.45		\$0.85	\$155.00		\$1.03	\$230.00
Shell Finishing					\$1.17	\$239.00																		
Group B - Institutional Occupancy																								
New Addition - Shell														\$1.87	\$195.00									
New Addition - Finished		\$2.99	\$181.25		\$2.75	\$239.00		\$2.63	\$195.00		\$2.37	\$197.00		\$2.19	\$195.00		\$2.19	\$221.45		\$2.58	\$155.00		\$3.31	\$230.00
Alterations & renovations	\$279.30				\$1.17	\$239.00		\$0.75	\$195.00		\$1.20	\$197.00		\$0.94	\$195.00		\$1.11	\$221.45		\$0.85	\$155.00		\$1.03	\$230.00
Shell Finishing					\$1.17	\$239.00																		
Group C - Residential																								
Residential - Low Density		\$1.74	\$181.25		\$1.68	\$239.00		\$1.71	\$195.00		\$1.61	\$197.00		\$1.48	\$195.00		\$1.48	\$221.45		\$1.76	\$155.00		\$2.16	\$230.00
Residential - High Density (stacked towns, triplex)		\$1.74	\$181.25		\$1.68	\$239.00		\$1.56	\$195.00		\$1.61	\$197.00		\$1.48	\$195.00		\$1.48	\$221.45		\$1.76	\$155.00		\$2.16	\$230.00
Residential - High Density (Apartments)		\$1.56	\$181.25		\$1.83	\$239.00		\$1.56	\$195.00		\$1.61	\$197.00		\$1.48	\$195.00		\$1.51	\$221.45		\$1.76	\$155.00		\$2.16	\$230.00
Residential (Multi-units shell)																								
Hotels, Motels with residential occupancy		\$1.50	\$181.25		\$1.83	\$239.00		\$1.56	\$195.00		\$1.70	\$197.00		\$1.48	\$195.00		\$1.51	\$221.45		\$1.76	\$155.00		\$2.16	\$230.00
Attached Accessory - Covered decks, porches, etc.	\$1.60	\$181.25		\$0.69	\$239.00	\$195.00					\$0.54	\$197.00		\$0.94	\$195.00		\$0.46	\$221.45		\$0.64	\$155.00		\$0.61	\$230.00
Attached Accessory - Uncovered decks, porches, etc.	\$1.60	\$181.25	\$239.00				\$195.00				\$0.54	\$197.00		\$0.94	\$195.00		\$0.46	\$221.45		\$0.64	\$155.00	\$263.00		
Detached accessory-sheds, gazebo	\$1.60	\$181.25		\$0.69	\$239.00	\$195.00					\$0.54	\$197.00		\$0.94	\$195.00		\$0.46	\$221.45		\$1.00	\$155.00		\$0.40	\$230.00
Renovating unfinished space (e.g. basement)		\$1.50	\$181.25		\$0.99	\$239.00		\$0.75	\$195.00		\$0.85	\$197.00		\$0.94	\$195.00		\$0.46	\$221.45		\$0.85	\$155.00		\$0.60	\$230.00
Alterations & renovations	\$279.30				\$0.99	\$239.00		\$0.75	\$195.00		\$0.66	\$197.00		\$0.94	\$195.00		\$0.96	\$221.45		\$0.85	\$155.00		\$0.90	\$230.00
Shell Finishing																								
Group D - Business and Personal Services																								
New Addition - Shell		\$2.47	\$181.25		\$2.20	\$239.00		\$1.66	\$195.00					\$1.51	\$195.00		\$1.14	\$221.45		\$1.76	\$155.00		\$2.22	\$230.00
New Addition - Finished		\$2.99	\$181.25		\$2.75	\$239.00		\$2.31	\$195.00		\$2.03	\$197.00		\$1.78	\$195.00		\$1.47	\$221.45		\$2.20	\$155.00		\$2.82	\$230.00
Restaurants - Shell																								
Restaurants - Finished																								
Alterations & renovations	\$279.30				\$1.17	\$239.00		\$0.75	\$195.00		\$1.01	\$197.00		\$0.94	\$195.00		\$1.14	\$221.45		\$0.85	\$155.00		\$0.90	\$230.00
Shell Finishing		\$0.93	\$181.25		\$1.17	\$239.00		\$0.75	\$195.00															
Group E - Mercantile																								
New Addition - Shell		\$2.47	\$181.25		\$2.20	\$239.00		\$1.66	\$195.00					\$1.51	\$195.00		\$1.14	\$221.45		\$1.65	\$155.00		\$2.22	\$230.00
New Addition - Finished		\$2.99	\$181.25		\$2.75	\$239.00		\$2.31	\$195.00		\$1.90	\$197.00		\$1.78	\$195.00		\$1.47	\$221.45		\$2.06	\$155.00		\$2.82	\$230.00
Alterations & renovations	\$279.30				\$1.17	\$239.00		\$0.75	\$195.00		\$0.84	\$197.00		\$0.94	\$195.00		\$1.14	\$221.45		\$0.85	\$155.00		\$0.90	\$230.00
Shell Finishing		\$0.93	\$181.25		\$1.17	\$239.00		\$0.75	\$195.00															
Group F - Industrial																								
New Addition - Shell					\$1.16	\$239.00		\$0.64	\$195.00					\$1.13	\$195.00		\$1.27	\$221.45		\$1.09	\$155.00		\$1.12	\$230.00
New Addition - Finished		\$1.76	\$181.25		\$1.45	\$239.00		\$1.98	\$195.00		\$1.39	\$197.00		\$1.34	\$195.00		\$1.66	\$221.45		\$1.52	\$155.00		\$1.42	\$230.00
Repair garages, car washes					\$1.24	\$239.00																		
Parking garages (open air)		\$0.75	\$181.25		\$0.78	\$239.00								\$1.34	\$195.00		\$1.11	\$221.45						
Parking garages (enclosed/underground)		\$1.00	\$181.25		\$0.78	\$239.00								\$1.34	\$195.00		\$1.11	\$221.45						
Farm Buildings		\$0.59	\$181.25		\$0.55	\$239.00		\$0.70	\$195.00		\$0.40	\$197.00		\$0.56	\$195.00		\$0.31	\$221.45		\$0.40	\$155.00		\$0.44	\$230.00
Alterations & renovations	\$279.30				\$0.87	\$239.00		\$0.75	\$195.00		\$0.82	\$197.00		\$0.93	\$195.00		\$1.11	\$221.45		\$0.85	\$155.00		\$0.60	\$230.00
Shell Finishing					\$0.87	\$239.00																		

APPENDIX B

PROPOSED FEE SCHEDULE

1.2 Minimum Permit Fee

A minimum *permit* fee of \$256.58 shall apply to all *works* proposed, unless otherwise indicated or a prescribed "Flat Rate" has been assigned.

1.3 Plans Examination Deposit

A Plans Examination Deposit of the amount stipulated in Section 7.1 of this Schedule shall be submitted at the time of *permit* application in order to satisfy the Ontario *Building Code* requirements for a complete application and to cover any costs incurred through the Plans Examination process. As a component of the Plans Examination process, the actual *permit* fee will be calculated and the submitted Plans Examination Deposit will be applied to offset the calculated fee. Any outstanding fees are required to be submitted **prior** to *permit* issuance. Should the Plans Examination Deposit be greater than the calculated *permit* fee, a refund will be provided with the issuance of the *permit*.

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
2.0 BUILDING PERMITS				
2.1 New Construction and Additions				
a) GROUP A-ASSEMBLY OCCUPANCIES				
School, church, restaurant, daycare, hall, transit, recreation facility, other	\$2.07	Per Sq.Ft	\$ 2.73	Per Sq.Ft
b) GROUP B - INSTITUTIONAL OCCUPANCIES				
Hospital, detention facility, nursing home, Long term care facility, other	\$2.32	Per Sq.Ft	\$ 3.06	Per Sq.Ft
c) GROUP C - RESIDENTIAL OCCUPANCIES				
Single detached, semi-detached, duplex dwelling, townhouse	\$1.41	Per Sq.Ft	\$ 1.86	Per Sq.Ft
Multiple unit (apartment < 18 metres)	\$1.43	Per Sq.Ft	\$ 1.89	Per Sq.Ft
Multiple unit (apartment > 18 metres)	\$1.41	Per Sq.Ft	\$ 1.86	Per Sq.Ft
Hotel and motel, other	\$1.60	Per Sq.Ft	\$ 2.11	Per Sq.Ft
Secondary Dwelling Units and Garden Suites	New Fee	N/A	\$ 2.43	Per Sq.Ft

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
d) GROUP D - BUSINESS/PERSONAL SERVICE OCCUPANCIES				
Office, bank, medical office, police station, other - Finished	\$1.84	Per Sq.Ft	\$ 2.43	Per Sq.Ft
Office, bank, medical office, police station, other - Architectural shell (as referenced in 2.4(c))	\$1.45	Per Sq.Ft	\$ 1.91	Per Sq.Ft
e) GROUP E - MERCANTILE OCCUPANCIES				
Store, shopping mall/plaza, shop, market, retail space, other - Finished	\$1.81	Per Sq.Ft	\$ 2.39	Per Sq.Ft
Store, shopping mall/plaza, shop, market, retail space, other - Architectural shell (as referenced in 2.4(c))	\$0.86	Per Sq.Ft	\$ 1.14	Per Sq.Ft
f) GROUP F - INDUSTRIAL OCCUPANCIES				
Industrial mall/plaza, plant, factory, warehouse, other	\$1.17	Per Sq.Ft	\$ 1.54	Per Sq.Ft
Parking Garages	\$0.88	Per Sq.Ft	\$ 1.16	Per Sq.Ft
Gas station	\$1.17	Per Sq.Ft	\$ 1.54	Per Sq.Ft
Industrial building with no partitions, no plumbing and no mechanical (Shell only)	\$0.53	Per Sq.Ft	\$ 0.70	Per Sq.Ft
g) SPECIAL CATEGORIES/OCCUPANCIES				
Agricultural building (barn)	\$0.29	Per Sq.Ft	\$ 0.38	Per Sq.Ft
Greenhouse	\$0.22	Per Sq.Ft	\$ 0.29	Per Sq.Ft
Air supported structure	\$0.18	Per Sq.Ft	\$ 0.24	Per Sq.Ft
Trailer	\$202.50	Flat Rate	\$256.58	Flat Rate
Tent/temporary fabric structure	\$202.50	Flat Rate	\$256.58	Flat Rate
Storage Container (per unit)	New Fee	N/A	\$256.58	Flat Rate
Portable buildings	\$202.50	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
Public swimming pool (unenclosed)	\$310.00	Flat Rate	\$409.15	Flat Rate
h) ACCESSORY STRUCTURES TO GROUP C - RESIDENTIAL OCCUPANCIES				
Attached garage/carport	\$0.46	Per Sq.Ft	\$ 0.61	Per Sq.Ft
Other accessory buildings	\$0.46	Per Sq.Ft	\$ 0.61	Per Sq.Ft
(Detached garage/carport/shed/pole barn)	\$0.46	Per Sq.Ft	\$ 0.61	Per Sq.Ft
Covered deck/porch				
Uncovered deck/porch	\$0.42	Per Sq.Ft	\$ 0.55	Per Sq.Ft
Sunroom/solarium	\$0.84	Per Sq.Ft	\$ 1.11	Per Sq.Ft

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
2.2 Alterations and Repairs				
a) GROUP A-ASSEMBLY OCCUPANCIES				
Including plumbing AND mechanical	\$1.04	Per Sq.Ft	\$ 1.37	Per Sq.Ft
Including plumbing OR mechanical	\$0.95	Per Sq.Ft	\$ 1.25	Per Sq.Ft
Excluding plumbing AND mechanical	\$0.86	Per Sq.Ft	\$ 1.14	Per Sq.Ft
b) GROUP B - INSTITUTIONAL OCCUPANCIES				
Including plumbing AND mechanical	\$1.04	Per Sq.Ft	\$ 1.37	Per Sq.Ft
Including plumbing OR mechanical	\$0.95	Per Sq.Ft	\$ 1.25	Per Sq.Ft
Excluding plumbing AND mechanical	\$0.86	Per Sq.Ft	\$ 1.14	Per Sq.Ft
c) GROUP C - RESIDENTIAL OCCUPANCIES				
Secondary Dwelling Unit	New Fee	N/A	\$ 1.20	Per Sq.Ft
Including plumbing AND mechanical	\$0.67	Per Sq.Ft	\$ 0.88	Per Sq.Ft
Including plumbing OR mechanical	\$0.62	Per Sq.Ft	\$ 0.82	Per Sq.Ft
Excluding plumbing AND mechanical	\$0.56	Per Sq.Ft	\$ 0.74	Per Sq.Ft
Unfinished basement (replace foundation)	\$0.28	Per Sq.Ft	\$ 0.37	Per Sq.Ft
Finish basement (dwelling unit)	\$0.33	Per Sq.Ft	\$ 0.44	Per Sq.Ft
d) GROUP D - BUSINESS/PERSONAL SERVICES OCCUPANCIES				
Including plumbing AND mechanical	\$1.04	Per Sq.Ft	\$ 1.37	Per Sq.Ft
Including plumbing OR mechanical	\$0.95	Per Sq.Ft	\$ 1.25	Per Sq.Ft
Excluding plumbing AND mechanical	\$0.86	Per Sq.Ft	\$ 1.14	Per Sq.Ft
e) GROUP E - MERCANTILE OCCUPANCIES				
Including plumbing AND mechanical	\$0.84	Per Sq.Ft	\$ 1.11	Per Sq.Ft
Including plumbing OR mechanical	\$0.77	Per Sq.Ft	\$ 1.01	Per Sq.Ft
Excluding plumbing AND mechanical	\$0.70	Per Sq.Ft	\$ 0.92	Per Sq.Ft
f) GROUP F - INDUSTRIAL OCCUPANCIES				
Including plumbing AND mechanical	\$0.48	Per Sq.Ft	\$ 0.63	Per Sq.Ft
Including plumbing OR mechanical	\$0.44	Per Sq.Ft	\$ 0.58	Per Sq.Ft
Excluding plumbing AND mechanical	\$0.40	Per Sq.Ft	\$ 0.53	Per Sq.Ft
g) GENERAL ALTERATIONS (ALL CLASSIFICATIONS)				
Roof structure (replace/alter structure)	\$0.19	Per Sq.Ft	\$ 0.25	Per Sq.Ft
Minor alterations (not requiring plans)	\$121.50	Flat Rate	\$256.58	Flat Rate

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
2.3 Miscellaneous Works				
a) Demising wall/Party wall installation	\$162.00	Flat Rate	\$256.58	Flat Rate
b) Fireplace/woodstove	\$162.00	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
c) Moving a <i>building</i>	\$162.00	Flat Rate	\$256.58	Flat Rate
d) Underpinning	\$4.86/lf	If Basis	\$6.41/lf	If Basis
e) Fire Alarm System upgrades	\$202.50	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
f) Sprinkler System Upgrades / Installs	\$202.50	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
Electromagnetic Locks	New Fee	N/A	\$256.58	Flat Rate plus \$101.65 per hour
g) Stages (temporary)	\$40.50	Flat Rate	\$256.58	Flat Rate
2.4 Conditional/Partial Permits and Staged Construction				
a) Building Foundation Complete to grade, including all underground services	15%(6)	Percentage of Applicable Permit Fee Shown for New Construction	15%(6)	Percentage of Applicable Permit Fee Shown for New Construction
b) Completed Structural shell No interior finishes/fixtures	55%(6)	Percentage of Applicable Permit Fee Shown for New Construction	55%(6)	Percentage of Applicable Permit Fee Shown for New Construction
c) Completed Architectural shell Including interior finishes on exterior and structural walls	80%(6)	Percentage of Applicable Permit Fee Shown for New Construction	80%(6)	Percentage of Applicable Permit Fee Shown for New Construction
d) Completed Building Includes all tenant improvements and complete interior finishes	100% (6)	Percentage of Applicable Permit Fee Shown for New Construction	100% (6)	Percentage of Applicable Permit Fee Shown for New Construction
e) Partial Permit Surcharge	\$324.00	Flat Rate	\$427.63	Flat Rate
f) Conditional Permit Fee In addition to fees listed above and any applicable legal fees incurred by the City of Thorold	\$2,000.00	Flat Rate	\$2,639.70	Flat Rate plus \$188.55/hour for work exceeding 14 hours

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
3.0 PLUMBING AND HVAC PERMITS				
a) <i>Plumbing</i> in a detached, semi-detached, duplex, triplex dwelling, including building sanitary, storm drain, sewer and water, service pipes (for all plumbing installations including up to five (5) fixtures, plus \$12.96 for each additional fixture)	\$150.00	Flat Rate	\$256.58	Flat Rate
b) <i>Plumbing</i> in all <i>buildings</i> or structures, not described in 3.0(a) (for all plumbing installations including up to five (5) fixtures plus \$12.96 for each additional fixture)	\$200.00	Flat Rate	\$256.58	Flat Rate
HVAC Replacement or Alterations in all buildings or structures, not described in 3.0(a)	New Fee	N/A	\$0.11	Per Sq.Ft
c) All buried piping, including drain and sewer, <i>building</i> storm drain and sewer, storm drain piping, and water service pipe, First fifty (50) feet [15 metres]	\$50.00	Flat Rate	\$256.58	Flat Rate
Each additional Foot over first 50 feet [15 metres]	\$35.00	Per Every 50 Feet	\$0.93	Per Foot
4.0 DEMOLITION PERMITS				
a) Single family dwellings and buildings less than 3,000 square feet gross floor area	\$121.50	Flat Rate	\$256.58	Flat Rate
b) All other demolitions not described in 4.0(a)	\$0.05	Per Sq.Ft	\$ 0.07	Per Sq.Ft
5.0 DESIGNATED STRUCTURE PERMITS				
a) Communication Tower	\$202.50	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
b) Retaining wall, pedestrian bridge, crane runway	\$1.70/lf	If Basis	\$5.00/lf	If Basis
c) Wind turbine structure/solar collector	\$202.50	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
d) Other designated structure as listed in Division A, 1.3.1.1 of the Ontario Building Code	\$202.50	Flat Rate	\$256.58	Flat Rate plus \$101.65 per hour
Signs Requiring Engineers Design	New Fee	N/A	\$256.58	Flat Rate plus \$101.65 per hour

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
6.0 OTHER CHARGES				
a) Change of Use <i>permit</i> , (<i>where no construction is required</i>)	\$194.40	Flat Rate	\$256.58	Flat Rate
b) <i>Permit</i> to all occupancy of an unfinished building	\$194.40	Flat Rate	\$256.58	Flat Rate
c) Transfer of <i>permit</i> to new <i>Owner</i>	\$194.40	Flat Rate	\$256.58	Flat Rate
d) <i>Building/Property</i> Report	\$100.00	Flat Rate	\$132.00	Flat Rate
e) Non-Routine inspection	\$75.00	Hourly Rate	\$101.65	Hourly Rate, after hours 1.5x hourly rate (\$152.48), sundays and holidays 2x hourly rate (\$203.30)
f) Revision/amendments to <i>permits</i>	\$81.00	Hourly Rate	\$ 101.65	Hourly Rate
g) Liquor License Inspection/Report	\$75.00	per Report	\$132.00	Per Report, Recommended to be moved to Clerks section of Applicable User Fee By-law
h) Bed and Breakfast Inspection/Report	\$75.00	per Report	\$132.00	Per Report, Recommended to be moved to Clerks section of Applicable User Fee By-law
i) Refreshment Vehicle Inspection/Report	\$75.00	per Report	\$132.00	Per Report, Recommended to be moved to Clerks section of Applicable User Fee By-law
j) Spatial Separation Agreement Review	\$1,200.00	Flat Rate	\$1,583.82	Flat Rate
k) Deferral of <i>permit</i> revocation	\$121.50	Flat Rate	\$256.58	Flat Rate

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
l) Review of "Alternative Solution" Submission	\$81.00	Hourly Fee	\$2,639.70	Flat Rate plus \$188.55/hour for work exceeding 14 hours
6.1 Planning Review				
Planning Zoning Review	New Fee	N/A	\$200	Flat Rate
7.0 DEPOSITS				
7.1 Plans Examination Deposit				
a) Detached dwelling, semi-detached dwelling, Duplex, triplex, townhouse (per dwelling)	\$1,000.00	Flat Deposit	\$1,000.00	Flat Deposit
b) Building regulated by Division B Part 9 of the Ontario Building Code other than those identified in 7.1(a)	\$1,250.00	Flat Deposit	\$1,250.00	Flat Deposit
c) Building and/or additions accessory to OR additions to <i>Buildings</i> identified in 7.1(a)	\$194.40	Flat Deposit	\$256.58	Flat Deposit
d) All other buildings not described in 7.1(a), (b) or (c) that have a construction value less than \$100,000.00	\$1,000.00	Flat Deposit	\$1,000.00	Flat Deposit
e) All other buildings not described in 7.1(a), (b), (c) or (d)	\$1,500.00	Flat Deposit	\$1,500.00	Flat Deposit
In addition to the fees applicable above, a Refundable Deposit of the following amounts where applicable, shall be deposited with the City at the time of application for <i>permit</i> ;				
7.2 Lot Grading Deposit				
Detached, semi-detached, duplex, triplex, Townhouse dwellings (except where monies are already deposited specifically for lot grading through a Subdivision Development Agreement, or other similar agreement)	\$1,000.00	Flat Deposit	\$1,000.00	Flat Deposit

Classification	Current Fees	Current Basis of Fee	Proposed Full Cost Recovery Fee	Proposed Basis of Fee
7.3 Performance/Security Deposit				
a) Detached dwelling, semi-detached dwelling, duplex, triplex, townhouse (<i>per dwelling</i>)	\$1,000.00	Flat Deposit	\$1,000.00	Flat Deposit
b) Addition(s) to <i>buildings</i> described in 7.3(a) where excavation is required	\$750.00	Flat Deposit	\$750.00	Flat Deposit
c) Miscellaneous construction accessory to uses described in 7.3(a) with a construction value greater than \$5,000.00	\$500.00	Flat Deposit	\$500.00	Flat Deposit
d) Construction projects other than those described in 7.3(a) or (b) involving <i>buildings</i> or additions where a Site Plan Agreement IS required	\$1,000.00	Flat Deposit	\$1,000.00	Flat Deposit
e) Construction projects other than those described in 7.3 (a) or (b) involving <i>buildings</i> or additions where a Site Plan Agreement is NOT required	\$2,000.00	Flat Deposit	\$2,000.00	Flat Deposit
Construction projects other than those described in 7.3(a) or (b) involving <i>buildings</i> , or additions where construction value is less than \$40,000	New Deposit	N/A	\$500	Flat Deposit
f) Demolition project	\$500.00	Flat Deposit	\$500.00	Flat Deposit
g) Moving a <i>building</i>	\$1,000.00	Flat Deposit	\$1,000.00	Flat Deposit
h) Conditional <i>building permit</i> Deposit	10% of total Project Construction value	Percentage of Project Construction Value	Greater of \$2000 or 10% of the Total Project Value	Flat Deposit/Percentage of Project Construction Value

Fee Refunds and Explanatory Notes

8.0 FEE REFUNDS

Pursuant to Article 7.3 of Bylaw 73-2010, the fees that may be refunded shall be a percentage of the applicable fees assessed by this Schedule of fees, calculated by the *Chief Building Official* as follows:

- a) 90% where only administrative functions have been completed (*application received and costs analysis complete*);
- b) 80% where only administrative and zoning functions have been completed;
- c) 60% where administrative, zoning and plans examination functions have been performed;
- d) 0% where the *permit* has been issued and no field inspections have been performed subsequent to *permit* issuance;
- e) If the calculated refund is less than the minimum fee applicable to the *work* as described in 1.2 of this Schedule, no refund shall be made of the fees paid;
- f) No fees shall be refunded after twelve (12) months from the date of *permit* issuance.

9.0 EXPLANATORY NOTES

1. Area is the gross floor area of the *building* as defined by the Ontario *Building Code*. Area shall be calculated in square feet (ft²) for the purpose of this Schedule.
2. Where there is no floor or exterior walls for the project, area is to be calculated as the greatest horizontal area of the structure.
3. No deductions shall be made in the calculation of gross floor area for openings such as stairs, elevators, shafts, ramps.

Explanatory Notes Continued

4. Unfinished basements and crawlspaces are not to be included in the calculation of area in fee calculations for new construction and additions. Attached garages are not to be included in the fee calculation for new dwellings.
5. Major occupancy is based upon the Ontario *Building Code*.
6. For Partial *permit*, the percentage shown must be multiplied by the applicable *permit* fee shown for new construction. Percentage of previously approved stages may be subtracted where applicable.
7. The *permit* fee shall be determined by the *Chief Building Official* or designate, on the basis of this Schedule. If the *Applicant* disagrees with the fee so determined, then the prescribed fee shall be paid as a deposit and after the *works* are complete, a refund shall be made on the actual *work* done and inspections performed at the discretion of the *Chief Building Official*.

For categories of construction not listed above, the *permit* fee shall be \$16.00 for each \$1,000.00 of valuated cost, or portion thereof. The minimum *permit* fee identified in Section 1.2 of this Schedule shall apply.

8. The deposit(s) identified under Section 7.0 of this Schedule shall be held as security by the City until the *work* for which the *permit* has been issued has been completed in accordance with the stipulated requirements of the *permit* to the satisfaction of the *Chief Building Official*. The *Owner/Applicant* shall be responsible for any damage to City property or any restriction and associated costs of any such damage or repair may be deducted by the City in addition to any other available remedy or penalty.

Should the cost of repairs exceed the value of the deposit held, the City shall invoice the *Owner/Applicant* for the amount in excess of the deposit, and if such invoice is not paid by the stipulated due date, the City may recover the costs by action or by adding the costs to the tax roll of the property to which the permit relates, and collecting them in the same manner as taxes according to Section s.1 (2.1) of the Municipal Act as amended. Should the deposits not be required to be called upon during the duration of the project, they will be released as follows:

Lot Grading: Upon successful approval of the Final Lot Grading Certificate submitted in accordance with 4.2(1)(d)(iii) of the Building Bylaw 73- 2010.

Performance/Security: Upon successful completion of the project in accordance with the approved permit documents which results in a closure of such permit file.

Explanatory Notes Continued

9. A multiple unit (*apartment*) *building* is a *building* which consists of more than three (3) individual residential units in the same *building*.
10. *Plumbing permit* fees shall apply only when a *permit* is taken out solely for *plumbing*. *Note: Reference to minimum permit fee not applying to plumbing permits has now been removed.*
11. The Spatial Separation Agreement fee is for review associated with the submitted Spatial Separation Agreement. This fee does not account for legal fees to draft and/or register the agreement as these fees are the sole responsibility of the property *Owner*. Any legal fees incurred by the City shall be the responsibility of the property *Owner*.
12. An Alternative Solution is as defined in the Ontario *Building Code*.
13. The fee prescribed for an Alternative Solution shall be in addition to any other applicable fee prescribed by this Schedule. Should any additional fees be incurred by the City in relation to the review of such a submission but not limited to consultant fees, these costs shall be added to the calculated *permit* fee at 100% of their value.