

DATE: August 30, 2017

FILE: 6410-01, 3760-01

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Russell Dyson
Chief Administrative Officer

RE: Board Policy to Rebate Planning and Building Permit Fees

Purpose

To establish a consistent, equitable and transparent approach on the rebate of planning and building permit fees.

Policy Analysis

Section 462 of the *Local Government Act* (RSBC, 2015, c. 1) (LGA) regulates the ability of a local government to impose fees. Bylaw No. 328, being the “Comox Valley Regional District Planning Procedures and Fees Bylaw No. 328, 2014,” establishes planning application fees. Bylaw No. 142, being the “Comox Valley Regional District Building Bylaw No. 142, 2011,” establishes building permit fees.

On October 25, 2011, the Comox Valley Regional District (CVRD) board adopted,

“THAT the staff be directed to investigate the opportunity to offer prioritized review of building permit applications and reduced building permit fees for projects that meet green building criteria.”

Executive Summary

- A board policy to rebate planning and building permit fees is proposed (Appendix A).
- The proposed policy (Appendix A) provides a framework to rebate planning and building permit fees.
- Planning application rebates are for non-profit agencies that are involved in affordable housing projects, or matters that align with the CVRD’s regional strategies or strategic priorities.
- Building permit rebates are available for anybody that construct energy efficient houses, and this rebate will start on January 1, 2018, to allow for procedures and systems to be in place.

Recommendation from the Chief Administrative Officer:

THAT the board approve the board policy on planning and building application fee rebates, attached to this staff report dated August 30, 2017, as Appendix A.

Respectfully:

R. Dyson

Russell Dyson
Chief Administrative Officer

Background/Current Situation

At the February 2016 Electoral Areas Services Committee meeting, staff was directed to bring forward a planning fee rebate policy that could provide a consistent, equitable and transparent approach to requests to waive fees. Staff reviewed current CVRD Board policy waivers: tipping fees for clean-ups, and Exhibition Grounds rental for non-profit agencies. Staff also reviewed other local governments for their fee waiver or reduction policies. The proposed policy (Appendix A) outlines the eligibility requirements and procedures for the two types of rebates: planning application and building permit.

Planning application fee rebates are for non-profit agencies that are involved in affordable housing projects, or matters that align with CVRD's regional strategies or strategic priorities. Building permit rebates are for those who build energy efficient houses. Energy efficiency can be measured by the recently launched *BC Energy Step Code*, a voluntary standard for builders, who may wish to build above and beyond the *BC Building Code*. In the *BC Energy Step Code*, there are five steps, Step 1 is enhanced compliance and Step 5 is a net zero/passive building. The higher steps cost more to construct, and therefore, a sliding scale of rebates is proposed (Appendix A). The proposed rebate does not include Steps 1 and 2 because they take little effort for a builder to achieve. It is proposed that a 100 per cent rebate be offered for a net zero/passive house (Step 5), which is a house that generates as much energy as it uses in a year. No such dwelling has been built in the Comox Valley yet, and a full rebate would demonstrate our sustainability commitment. Furthermore, the Province plans to require all new buildings to reach Step 5 by 2032. This rebate would motivate builders to get onto the *BC Energy Step Code* earlier. The building permit rebate is proposed to start on January 1, 2018, in order to have the procedures systems in place.

The process for processing rebates varies slightly between the two types. For all rebates, an applicant pays upfront and then once all the necessary approvals and permits have been issued, the applicant submits a rebate application form. For energy efficiency housing rebates, staff confirms the eligibility requirements and issues the rebates based on the aforementioned sliding scale. For planning application rebates, staff confirms eligibility requirements, suggests the rebate amounts and forwards the recommendations to the CVRD board.

Options

There are three options:

1. The board approves the proposed board policy;
2. The board asks staff to amend the policy and bring it back to a future meeting; or
3. The board rejects the proposed board policy. Future fee waiver requests will be considered on an individual basis.

Option 1 is recommended.

Financial Factors

This policy formalizes future requests of application fee reduction and rebates. Planning and development services branch staff has worked with financial services department staff in the preparation of this policy.

There will be some impact on the financial plan for functions 500 (Planning) and 285 (Building). For planning application rebates, there may be two requests per year. In 2014, there were two requests for the total of \$2,400; and in 2016, there were two requests for the total of \$5,300. If this proposed board policy were in place back then, two out of these four requests would be eligible, and the total rebate would be \$4,100 for these two years.

For energy efficient housing rebates, it is anticipated that there will be up to five rebate applications per year for reaching at least Step 3, in which the rebate rate is proposed to be 25 per cent. The rebate amount is estimated to be \$500 each, so the total rebates will be \$2,500. In addition, there could be one net zero/passive house (Step 5). In this case, the house might cost \$500,000 to build, and the rebate, at 100 per cent, would be \$3,250. Staff will monitor the rebate program and will report on annual basis at the financial planning meeting.

Legal Factors

The proposed policy is consistent with the provisions of the LGA and are compatible with Bylaw No's. 328 and 142.

Regional Growth Strategy Implications

The proposed fee rebate policy would work towards the following objectives of the Regional Growth Strategy:

- Rebates for affordable housing in a rental market led by not-profit agencies would work towards Objective 1-B: *Increase Affordable Housing Options*;
- The improvement on rainwater management would work towards Objective 5-C: *Stormwater is Managed to Preserve Ecosystem and Watershed Health*; and
- Residential dwellings that achieve Step 2 or higher would work towards Objective 8-A: *Reduce GHG Emissions Created by the Building Sector*.

Comox Valley Sustainability Strategy Implications

The proposed fee rebate policy fulfills Objective 2.1.2: “*An Increasing Level of Green Building Performance is Achieved in All New Construction*” of the Comox Valley Sustainability Strategy. Action item E of this objective is to develop green building incentives to encourage developers to adopt green building practices.

Intergovernmental Factors

There are no intergovernmental factors from this proposed board policy.

Interdepartmental Involvement

Financial services, building services, community services and planning services contributed to the preparation of the proposed policy.

Citizen/Public Relations

It is proposed that this policy be posted on the CVRD website. Planning application rebates are available in limited circumstances; it is anticipated that when such situations exist, planning staff will advise that rebates are available. For building permit rebates, it is proposed that a brochure be produced and handed out to building permit applicants. This communication strategy falls into the “inform” category on the CVRD continuum of public engagement, and is in accordance with the board approved public engagement policy.

Prepared by:

B. Chow

Brian Chow, MCIP, RPP
Long Range Planner

Concurrence:

A. Mullaly

Alana Mullaly, M.Pl., MCIP, RPP
Manager of Planning Services

Concurrence:

D. Mirabelli

Dennis Mirabelli, RBO
Manager of Building Services

Concurrence:

A. MacDonald

Ann MacDonald, MCIP, RPP
General Manager of Planning and
Development Services Branch

Attachment: Appendix A – “Proposed policy on planning and building application fee rebate”

Subject: Planning and Building Application Fee Rebates	
Branch: Planning and Development Services Branch	
Departments: Planning Services and Building Services	Policy Reference: 6410-00 3760-00

Purpose

To rebate planning and building fees in a consistent, equitable and transparent manner.

Policy Reference

Objective 2.1.2 of the *Comox Valley Sustainability Strategy* contains an action item for the Comox Valley Regional District (CVRD) to develop green building incentives for developers to adopt green building practices.

The *Comox Valley Regional District Climate Action Plan* has two action items to continue the home energy incentive program and to establish an incentive for passive house design.

The CVRD Homelessness Supports Service provides for the CVRD to fund one or more non-governmental organization in the Comox Valley to develop affordable housing.

Scope

This policy applies to all CVRD planning and building permit applications.

Eligibility

To be eligible for a building permit rebate, the proposed new residential dwelling must achieve at least Step 3 in the *BC Energy Step Code*. The building permit application must be made on or after January 1, 2018.

To be eligible for a planning application fee rebate, the proposed development must be led by a non-profit agency in good standing, and where the proposed development relates to the agency's core services and aligns with CVRD's regional strategies or strategic priorities (e.g., construction of affordable housing).

An applicant is ineligible to apply for a rebate if any of the following criteria apply:

1. The subject property has an active bylaw compliance file that is not being actively rectified;
2. The applicant or the property owner has unpaid debts owed to the CVRD; or
3. The development has started without any planning approvals or building permits.

The following fees are not eligible for a rebate:

1. Permit extensions;
2. Development cost charges, other than those provided for as exemptions in the legislation;
3. Cash in lieu of parkland dedication in subdivisions;
4. Costs from independent professionals;
5. Archive retrieval, and large scale photocopying and printing fees;
6. Freedom of information administration fees;

7. Advertising costs;
8. Venue rentals; and
9. Fees levied by external organizations.

Procedure

The following procedures will apply:

1. An applicant pays all application and permit fees upfront.
2. Once all necessary planning application approvals and final occupancies on building permits have been issued, the applicant completes the application form attached as Schedule B and submits supporting documents.
3. A complete application must be submitted within six months of the issuance of the last planning application approval and if applicable, final occupancy of the last building permit, whichever is later.
4. For planning application rebates:
 - a. Staff will review the application and recommend a rebate amount (partial or full rebate) to the CVRD board. The CVRD board will review the application and determine the amount.
- For building permit rebates:
 - b. Staff will review the application, confirm eligibility and issue the rebate as per Schedule A.
5. Rebates are made in the same payment method and to the same payee as the original fee submission or by cheque if the original payment method is not available.

Approval History

Policy adopted:	
Policy amended:	

Schedule A
BC Energy Step Code

The rebate rate for a new residential dwelling is as follows:

Step Level	Rebate Rate
Step 3 20% Beyond Code (Energy Star)	25%
Step 4 40% Beyond Code (R2000)	50%
Step 5 (Net Zero/ Passive House)	100%

Schedule B
Application form to request rebates



**Planning Application &
Building Permit Rebates**

Property Information (Refer to your tax assessment notice or certificate of title.)

Legal Description	
Civic Address	PID

Owner Information

Name(s)	Company	
Mailing Address	City	
	Province	Postal Code
Phone(s)	Email	

Applicant Information (If the applicant is not the owner, complete this and the agent authorization sections. All communication will be forwarded to the applicant only.)

Name(s)	Company	
Mailing Address	City	
	Province	Postal Code
Phone(s)	Email	

Agent Authorization (Complete only if the applicant is not the owner.)

I/we, (owner's name)	
declare that I am/we are the property owner(s) noted on this form, and hereby authorize	
(agent's name)	to act as agent in the matter of this application.

Owner's Name 1	Signature
Owner's Name 2	Signature

All owners shown on the certificate of title must sign. Attach a separate page with additional signatures.

For the building permit rebate on energy efficient houses, please state which step of the **BC Energy Step Code** that the building has achieved and attach supporting documents.

Step Level	<input type="checkbox"/> Attach Supporting Documents
------------	--

For all other rebate requests, what is the rebate amount you are seeking?

--

Please provide reasons for the rebate and attach supporting documents.

<input type="checkbox"/> Attach Supporting Documents

Notice of Collection of Personal Information

Personal information on this application form is collected for the administration, enforcement and processing of this application. The personal information is collected under the authority of the *Freedom of Information and Protection of Privacy Act* (FIPPA), *Local Government Act* (RSBC, 2015, c. 1) and Comox Valley Regional District bylaws. All documentation, drawings, plans and information submitted in support of this application can be made available for public inspection pursuant to the FIPPA. For questions about the collection of personal information, please contact the Corporate Legislative Officer at 600 Comox Road, Courtenay, BC or at 250-334-6007.

Declaration

I, the undersigned, have attached the required documentation and hereby agree to submit further information deemed necessary for processing this application. I hereby certify that the documentation and information provided with respect to this application is full and complete and is, to the best of my knowledge, a true statement of the facts related to this application. Lastly, I hereby acknowledge that an incomplete application will not be processed and will be returned to me.

Signature	Date
-----------	------