



**City of Kingston
Information Report to Council
Report Number 21-237**

To: Mayor and Members of Council
From: Paige Agnew, Commissioner, Community Services
Resource Staff: Jennifer Campbell, Director, Heritage Services
Date of Meeting: October 5, 2021
Subject: Fees and charges for heritage planning services under the
Ontario Heritage Act

Council Strategic Plan Alignment:

Theme: Financial measures/budget

Goal: See above

Executive Summary:

In May 2021 the City created a new Heritage Services Department as a commitment to enhancing leadership in heritage work across the City in all forms, tangible, intangible and natural. To understand the services and businesses that that new department brought together, staff have begun assessing the department's existing processes. This assessment is ongoing and includes opportunities to consider how to enhance service delivery specific to heritage planning and understand the resourcing needed to support existing initiatives, to lead municipal heritage work in Ontario and continue this work in measured consideration of the cost to the tax base, the benefits to the community and improvement of services and experiences for residents and visitors.

When a \$300 Heritage Permit application fee was introduced in 2021 staff committed to bringing any future cost analysis and fee considerations back to the Heritage Kingston Committee for feedback and consultation. Information report [HK-21-040](#) was presented to the Heritage Kingston Committee at their regular meeting on September 15, 2021 and provided an overview of the costs associated with heritage planning services administered by the City of Kingston and in compliance with the *Ontario Heritage Act*. The cost analysis provides insight into the real

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costs associated with select heritage planning service categories. Committee members provided feedback and their comments were incorporated in this report.

This report considers the costs of these heritage planning services, and possible options moving forward for additional cost recovery through additional fee considerations. The categories for possible fee considerations are; Emergency approvals, Delegated Authority Approvals – regular and complex, Heritage Permit Applications – regular and complex, Heritage Easement Agreements – regular and complex and Heritage Committee Pre-consultation.

The report additionally offers discussion of a future consideration that 10% of each fee collected for heritage planning services be directed into the Heritage Reserve Fund, to continue to grow the fund which is used to support annual grants for homeowners completing permitted repairs to their heritage property. In addition, consideration is given to supporting heritage property owners who qualify under the Municipal Fee Accessibility Program to receive a 100% waiver of applicable heritage related permit and/or service fees.

Recommendation:

This report is for information only.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Paige Agnew, Commissioner,
Community Services**

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Peter Huigenbos, Commissioner, Business, Environment & Projects	Not required
Brad Joyce, Commissioner, Corporate Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

In May 2021 the City created a new Heritage Services Department as a commitment to enhancing leadership in heritage work across the City in all forms, tangible, intangible and natural. To understand the services and businesses that that new department brought together, staff have begun assessing the department's existing processes. This assessment is ongoing and includes opportunities to consider how to enhance service delivery specific to heritage planning and understand the resourcing needed to support existing initiatives, to lead municipal heritage work in Ontario and continue this work in measured consideration of the cost to the tax base, the benefits to the community and improvement of services and experiences for residents and visitors.

The City of Kingston contains multiple and significant cultural heritage resources that provide physical, cultural, social and economic benefits to Kingston residents, visitors and businesses. The City has approximately 1230 designated heritage properties (under both Parts IV and V of the *Ontario Heritage Act*), 331 listed heritage properties, 54 registered Heritage Easement Agreements and three heritage conservation districts. These properties together form the Heritage Register of the City of Kingston. This register is created and maintained in accordance with the *Ontario Heritage Act*.

Heritage Planning staff support the administration of the Heritage Register of the City of Kingston and ensure compliance with the built heritage and planning related provisions of the *Ontario Heritage Act*, the *Planning Act* and the associated policies and processes relevant to built heritage protection and conservation as well as development and land-use planning with heritage considerations within the City. Much of this work is focused on approvals for alterations to heritage properties.

Municipal User Fees

The general approach used by municipalities to determine whether a particular program or service should be subject to user fees is to look at who benefits. If an individual or business is a direct beneficiary of a particular service, they are often charged user fees. Fees established by the municipality range from full cost recovery to fully funded by property taxes. Most municipal programs and services, including heritage planning programs and services, fall in the mid-range along the continuum of individual to community benefits and are funded by user fees and property taxes. Given the balance between the private/individual benefit and the community benefit of heritage planning programs and services, it is an appropriate area for an implementation of user fees for partial recovery of costs otherwise supported solely by the Municipal tax base.

Other Municipal Approaches

Two Ontario municipalities have introduced specific Heritage Permit fees and a third, the Town of Richmond Hill, has a "Minor Work" fee and a "Major Work" fee. The heritage fee structures employed by these three municipalities are diverse and demonstrate different ways that fees

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can be categorized and calculated for different application types and in different heritage landscapes.

The City of St. Catharines has introduced a single Heritage Permit application fee of \$254.75 – similar to the fee enacted by the City of Kingston in 2021. The Town of Richmond Hill has a “Minor Work” fee of \$398 and a “Major Work” fee of \$3,415. The City of Ottawa piloted heritage fees in 2020 and in 2021 have implemented a nuanced fee schedule that sees a range of fees from small alterations under staff approval, equivalent to the City of Kingston Delegated Authority Approvals at \$268, to fees for demolition approvals on the most significant properties at \$13,375. The complete [heritage fee schedule for the City of Ottawa](#) is available online.

Fees for Heritage Services

As part of the Fees and Charges By-Law update that went into effect January 1, 2021 a new Heritage Permit fee was introduced. In 2021 a \$300 fee was applied to all Heritage Permit applications. The fee amount was derived from previous work completed by Watson & Associates Economists Ltd who assisted the City in 2018 to assess the costs associated with planning services at the City of Kingston. This 2018 work was largely focused on planning application fees within the legislative context of the *Planning Act* and resulted in recommendations to Council to update and align planning services fees to support cost recovery between 45% and 48% as part of the Fees and Charges By-Law update effective January 1, 2019 (Report Number [PC-18-069](#)). At that time planning services related specifically to heritage were considered only at a high-level and resulted in the proposed initial \$300 permit fee which was then enacted in 2021.

To better understand the level of effort for all of the services provided by the Heritage Services Department in relation to the administration of permits and services in compliance with the *Ontario Heritage Act*, the City of Kingston again retained Watson & Associates Economists Ltd. to conduct a cost recovery analysis of specific categories of services provided by the heritage planning division of the Heritage Services Department. This analysis provides insight into the real costs associated with the select service categories.

Watson & Associates Economists Ltd Heritage Fee Review

The Planning Application Fees Review first prepared by Watson & Associates Economists Ltd. in 2018 was based on an activity-based costing methodology, which includes an assessment of the processing effort and associated costs from all participating departments attributed to specific fee service categories, along with both direct and indirect support costs. The activity-based costing methodology identifies costs associated with the processing activities for specific application types, which provides the City with a greater understanding of the level of processing effort for each individual service where a fee is charged. Watson & Associates Economists Ltd. have updated the model developed in 2018 with data specific to the processing of heritage permits and approvals, based on three years of actuals, and using the same methodology as used previously. They used this data to identify the direct, indirect and total costs for select heritage costing categories as well as the average cost per each application type. Based on the average annual application volume the total costs of the heritage processes considered in this

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review are approximately \$650,000. The Heritage Fees Review Memo from Watson & Associates Economists Ltd is attached to this report as Exhibit A.

Potential Fee Categories 2022

At this time, staff are considering a potential schedule of fees that correspond to a cost recovery of 12% on average of the total costs associated with select Heritage Permits and services. Depending on consideration and direction by Council the fees could be implemented through future updates to the City of Kingston, Fees and Charges By-Law.

The proposed fees would be applied across the following categories of service; Emergency Approvals, Delegated Authority Approvals – regular and complex, Heritage Permit Applications – regular and complex, Heritage Easement Agreements – regular and complex and Heritage Committee Pre-consultation. Watson & Associates Economists Ltd. did consider additional Heritage Costing Categories in their fee review; however, staff are not considering fees across all costing categories at this time.

What follows are summaries of the proposed fee categories with the associated potential future fee, the total real cost per application in each category and the percent of cost that would be recovered based on the fee schedule under consideration. These are also summarized in the table below.

Costing category	Real cost per application	Current fee	Current % cost recovery	Proposed future Fee	Proposed future % cost recovery
Emergency Approvals	\$420	\$300	62%	\$100	21%
Delegated authority	\$1,594	\$300	18.8%	\$300	19%
Delegated authority - Complex	\$3,938	\$300	7.5%	\$525	13%
Heritage Permit	\$4,637	\$300	6.5%	\$400	9%
Heritage Permit – Complex	\$10,035	\$300	3%	\$700	7%
Heritage Committee Pre-consultation	\$3,715	-	0%	\$300	8%
Heritage Easement Agreement	\$4,335	-	0%	\$400	9%

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Costing category	Real cost per-application	Current fee	Current % cost recovery	Proposed future Fee	Proposed future % cost recovery
Heritage Easement Agreement - Complex	\$7,399	-	0%	\$1,000	14%

Emergency Approvals: Council has delegated its authority to the Director of Heritage Services to approve certain minor alterations to properties designated under Parts IV (individually) and V (as part of a heritage conservation district) of the *Ontario Heritage Act*. This approval authority is granted in relation to a list of alteration types, which are considered minor under the Procedural By-Law. Emergency approvals can be granted in situations requiring emergency repair which are considered to be a health, safety or security issue by the Director, the Chief Building Official or the Fire Chief. An approval processed under delegated authority – Emergency Approvals would be subject to a fee of \$100. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of an emergency approval to be \$485 – the proposed fee of \$100 would see a cost recovery of 21%.

Delegated Authority: Council has delegated its authority to the Director of Heritage Services to approve certain minor alterations to properties designated under Parts IV (individually) and V (as part of a heritage conservation district) of the *Ontario Heritage Act*. This approval authority is granted in relation to a list of alteration types, which are considered minor under the Procedural By-Law. An approval processed under delegated authority would be subject to a fee of \$300 where the permit addresses 2 or fewer alteration types in a single delegated authority approval. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of Delegated Authority approval to be \$1,594 – the proposed fee of \$300 would see a cost recovery of 19%.

Delegated Authority Complex: Council has delegated its authority to the Director of Heritage Services to approve certain minor alterations to properties designated under Parts IV (individually) and V (as part of a heritage conservation district) of the *Ontario Heritage Act*. This approval authority is granted in relation to a list of alteration types, which are considered minor under the Procedural By-Law. An approval processed under delegated authority complex would be subject to a fee of \$525 where the permit addresses 3 or more alteration types in a single delegated authority approval. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of Delegated Authority - Complex approval to be \$3,938 – the proposed fee of \$525 would see a cost recovery of 13%.

Heritage Permit: The *Ontario Heritage Act* (Sections 33, 34 & 41) requires owners of properties designated under Part IV and Part V of the Act to obtain permission from City Council for any alteration or demolition to a designated property if it is likely to affect the property's heritage attributes. All applications under this category require approval of City Council after consultation with the Heritage Kingston Committee. Applications involving minor alterations or additions to the existing property and that also involve only one designated property would be subject to a

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fee of \$400. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of Heritage Permit approval to be \$4,637 – the proposed fee of \$400 would see a cost recovery of 9%.

Heritage Permit Complex: The *Ontario Heritage Act* (Sections 33, 34 & 41) requires owners of properties designated under Part IV and Part V of the Act to obtain permission from City Council for any alteration or demolition to a designated property if it is likely to affect the property's heritage attributes. All applications under this category require approval of City Council after consultation with the Heritage Kingston Committee. Applications involving significant and multiple alterations or additions to the existing property that impact the cultural heritage value or attributes of the property or heritage conservation district and/or that also involve more than one designated property would be subject to a fee of \$700. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of Heritage Permit Complex approval to be \$10,035 – the proposed fee of \$700 would see a cost recovery of 7%.

Heritage Committee Pre-consultation: As part of the development of a complex Heritage Permit application there are instances where property owners request or staff recommended that owners consider a pre-consultation with the Heritage Committee. These pre-consultations are not required under the *Ontario Heritage Act* but can assist in providing feedback and direction to complex alteration proposals in advance of a formal application. Pre-consultation would be subject to a fee of \$300, this fee would be independent of fees applied as part of the formal Heritage Permit application. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of Heritage Committee Pre-consultation to be \$3,715 – the proposed fee of \$300 would see a cost recovery of 8%.

Heritage Easement Agreement: Under the *Ontario Heritage Act*, a municipality can pass a by-law entering into a heritage easement (legal agreement) with a heritage property owner. The agreement sets out the requirements for maintaining the property or a specific heritage attributes. The agreement is registered on title to the property and is binding on future property owners. Properties can be protected by both an easement and a designation under the *Ontario Heritage Act*. Easement agreements can define the type and category of alterations that can be undertaken on a designated property. Easement agreements can also specify alterations that will require heritage permits in addition to the requirements of the easement agreement. New and renewed easement agreements that involve minor alterations and/or limited heritage attributes and that also involve only one designated property would be subject to a service fee of \$400. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of new Heritage Easement Agreements to be \$4,335 – the proposed fee of \$400 would see a cost recovery of 9%.

Heritage Easement Agreement Complex: Under the *Ontario Heritage Act*, a municipality can pass a by-law entering into a heritage easement (legal agreement) with a heritage property owner. The agreement sets out the requirements for maintaining the property or a specific heritage attributes. The agreement is registered on title to the property and is binding on future property owners. Properties can be protected by both an easement and a designation under the *Ontario Heritage Act*. Easement agreements can define the type and category of alterations that can be undertaken on a designated property. Easement agreements can also specify alterations

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that will require heritage permits in addition to the requirements of the easement agreement. New and renewed easement agreements that involve significant alterations or additions to the existing property(s) that impact the cultural heritage value or attributes of the property(s) or heritage conservation district and/or that also involve more than one designated property would be subject to a service fee of \$1000. The cost recovery analysis provided by Watson & Associates Economists Ltd. has assessed the real cost of new Heritage Easement Agreements Complex to be \$7,399 – the proposed fee of \$1000 would see a cost recovery of 14%.

Removing Financial Barriers

The City of Kingston has two existing programs that provide support to heritage property owners who are looking to defray costs associated with maintenance and repair of their properties, these are the Heritage Property Grant Program and the Heritage Property Tax Refund Program. If the fee schedule presented in this report was adopted in the future staff are proposing that Heritage Fees also be included at that time in the existing Municipal Fee Assistance program and that eligible participants would qualify for a waiver of heritage service fees. Council also has the authority to waive fees. In addition, if an expanded fee schedule were to be enacted staff propose that 10% of each fee collected be directed to the reserve fund that annually supports Heritage Property Grants. Additional details on these programs and proposals are provided below.

[Heritage Property Grant Program:](#) This program provides grants, to a maximum of \$5,000, to support up to 50% of the total cost of an eligible heritage project. Details on the program can be found on the City website. The program is funded through the Heritage Reserve Fund. As part of the heritage fee schedule being considered in this report, staff propose that 10% of all collected heritage fees could be added to the Heritage Reserve Fund. Continuing to build the fund through these contributions would help to support these grants into the future.

[Heritage Property Tax Refund Program:](#) Under the provisions of the Municipal Act, 2001, a 40% tax refund per property (subject to a maximum of \$5,000 or the total cost of maintenance and eligible work as well as specific eligibility criteria) has been established for properties which have a heritage easement agreement. Details on this program can also be found on the City website. This program would continue unaltered alongside of the proposed fee schedule, if enacted in the future.

[Municipal Fee Assistance Program:](#) The Municipal Fee Assistance Program (MFAP) offers fee reductions and waivers for City programs and services to help residents who live in lower-income households. It is proposed that Heritage Service fees would be waived for property owners participating in the Municipal Fee Assistance Program if the proposed fee schedule were enacted. Additional details on the program can be found on the City website.

Consultation with Heritage Kingston Committee

The information in this report was presented to Heritage Kingston at their regular meeting on September 15 for consultation. At that meeting feedback was provided by members of the

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committee and six key items/concerns were raised. These six items are summarized below with additional information/consideration provided as a response by staff.

1. Questions were raised about the percent recovery of costs and what money might be “left on the table” and if the proposed fees would reduce the revenue currently being generated by the baseline \$300 fee.
 - a. Response: staff confirmed that the proposed fees would result in a doubling of revenue, as compared with the continuation of the current baseline \$300 fee.
2. Concerns that because Heritage Permits are required for work on designated properties, that applying fees to this work would discourage property owners from maintaining their properties moving forward. Committee members shared their sense that people would be less likely to support new designations and the creation of new Heritage Conservation Districts if they know that fees will then be applied to future alterations and approvals.
 - a. Response: staff have pointed out that new designations also open the property owner up to receiving financial support for repair and maintenance work through the built heritage property grants. This could itself be an encouraging consideration for having a property designated in the future, where the \$400 permit application fee could be offset by a possible \$5,000 grant for the works undertaken.
3. A committee member felt that St. Catharines and Richmond Hill are not known for heritage conservation and should not be looked to for comparisons.
 - a. Response: staff note that the intent was not to suggest that these communities were the same but to inform the committee and Council the fees that have been introduced for approvals in Ontario.
4. Committee noted that despite Ottawa having some higher fee categories, it also has a category of work that is not subject to a fee – this work includes projects that meet the definition of restoration, rehabilitation or preservation and that are in line with the Heritage Conservation District plans as well as building maintenance and landscaping projects. The committee questioned why this \$0 fee category was not being considered in Kingston.
 - a. Response: the majority of applications for permitted heritage approvals in Kingston fall into the category of what Ottawa would deem “alteration” or “additions”. In Ottawa the fees for these kinds of approvals range from \$268 to \$8,560 depending on complexity. In the proposed fee schedule presented in this report a similar range of permit approvals would have fees ranging from \$400 to \$700. Staff did not look at a \$0 fee category, but this is something that could be considered moving forward and staff would propose to begin with regular Delegated Authority approvals.

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5. A committee member commented that they could accept fees for certain application types but not blanket fees for all applications.
 - a. Response: the fee schedule being reviewed at this time is a consideration of various cost categories that relate real costs to percent cost recovery across differing service areas/heritage applications. This work was undertaken to consider potential fees in relation to application type/complexity.
6. Committee members were interested in how properties with older designations, made prior to the updates to the *Ontario Heritage Act* and that do not have specifically listed attributes within their designations would be assessed for fees against the cost categories.
 - a. Response: staff confirmed that they would need to assess such applications against the intents of the proposed fee categories and make a determination as to which fee to apply. If the fee schedule were to be adopted in future, staff would work to confirm language to clearly explain how older properties would be assessed.

In the interest of time at the Heritage Kingston Committee meeting on September 15, staff encouraged committee members to submit additional written feedback on the matter of fees following the meeting. Staff received correspondence from one committee member outlining their concerns. These were circulated to the whole committee for review. Some comments elaborated on those that were raised in the committee meeting and were addressed in the preceding section. Three comments, outlined below, were not expressly raised during the committee meeting and have been addressed by staff through this report.

- Comment: that the whole City benefits from the repair, maintenance and conservation of heritage properties and therefore the costs associated with heritage planning services should not be borne by the property owner. The core idea here is that by keeping properties in good repair, the assessed value of the property may increase and there would be a corresponding increase in the tax revenue to the City. The member references growth in tax values and assessments in Barriefield after the creation of the Barriefield Heritage Conversation District. The committee member also correlated the role that heritage properties play in attracting tourists to the City, which additionally contributes to businesses, employment and the public good.
 - Response: staff have not independently correlated the referenced Barriefield assessment growth to the creation of the related Heritage Conservation District, but agree that well maintained Heritage Properties have stronger assessment values than those that are not in good repair.
- Comment: the reluctance of some property owners to repair their properties will be further exacerbated when fees are applied and will lead to further work being completed without heritage approvals. As an alternate approach, the committee member would like to see monetary penalties for persons who complete repairs or alterations without approvals under the *Ontario Heritage Act* and suggests that these penalties can be used to offset

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real costs to the tax base. Additionally, the committee member would like to see a reduction in staff time on preparing heritage files to reduce the bureaucratic costs associated with processing permits.

- Response: staff have been working to streamline processes over the last several years and are always working to provide the most efficient service to applicants. A community education approach to compliance is the approach presently undertaken at the City in relation to noncompliant alterations to heritage properties. The application of monetary fees and/or penalties has not been fully explored by staff at this time and would require consideration of the legislative guidelines of the *Ontario Heritage Act*, the *Municipal Act* and other applicable policies, guidelines and considerations. Staff understand at minimum that fines enacted through legal processes would require additional administrative resources.
- Comment: the committee member feels staff are recommending these fees in response to the approach taken in Ottawa and are wrong to consider fees across all costing categories. The member is also critical about staff proposing fees without consultation with the Heritage Committee and community.
 - Response: staff first pursued a heritage fee assessment as part of the planning fee review undertaken in 2018 and recommended the implementation the baseline fee for the first time in 2021 as part of a Council approved update to the Fees and Charges By-Law. Thereafter staff committed to bringing additional fee considerations forward for consultation with the Heritage Kingston Committee – that consultation was undertaken at the September 15 committee meeting. At this time, staff are presenting to Council a consideration of a possible scaled fee schedule that takes into account the variable costs across costing categories and resulting in a possible cost recovery of 12% on average.

Next Steps

Depending on any future direction offered by Council these fees could be put into place as an update to By-Law Number 2005-10 A By-Law to Regulate Fees and Charges to be Collected by the Corporation of the City of Kingston.

Existing Policy/By-Law:

By-Law Number 2005-10 A By-Law to Regulate Fees and Charges to be Collected by the Corporation of the City of Kingston

Notice Provisions:

None

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Accessibility Considerations:

None

Financial Considerations:

This report is for information purposes only. Moving forward, if the proposed fee schedule was enacted these fees would contribute to a limited recovery of the costs associated with heritage planning services for which the City bears significant expenditures.

Contacts:

Jennifer Campbell, Director, Heritage Services 613-546-4291 extension 1377

Other City of Kingston Staff Consulted:

Andrea Gummo, Manager, Heritage Planning, Heritage Services

Exhibits Attached:

Exhibit A Memorandum from Watson & Associates Economists Ltd.

Memorandum

To	Paige Agnew
From	Andrew Grunda
Date	September 1, 2021
Re:	Kingston Heritage Fees Review

Fax Courier Mail Email

The City of Kingston (City) retained Watson & Associates Economists Ltd. (Watson) to update the City's 2018 Planning Application Fees modeling to evaluate the City's costs in undertaking several heritage applications. The scope of this assignment includes reviewing the City's current processes from an activity-based costing perspective, in order to identify the full costs of service for heritage applications. This memo summarizes the methodology utilized in assessing the costs to the City of processing these application types and presents the calculated full costs.

The Heritage Applications that were evaluated include the following:

- Emergency Approval
- Delegated Authority
- Delegated Authority (complex)
- Heritage Committee
- Heritage Committee (complex)
- HK Pre-consultation
- Request for Designation
- Removal of Designation
- Amendment to Designation
- Site Plan Control (triggered by heritage)
- Heritage Easement Agreement
- Heritage Easement Agreement (complex)



Capacity Analysis

City staff provided effort estimates that each staff position spends processing one application for each of the heritage costing categories. Watson then aligned these time estimates by position to the positions contained within the City’s 2018 Planning Application Fees model. Based on these one-time process hour estimates and average historical heritage application volumes from the period 2017-2021, average annual capacity utilization for each staff position was calculated (i.e. percentage of available spent on heritage applications annually). Table 1 identifies the share of each position’s time spent processing heritage applications annually.

Table 1
City of Kingston
Annual Capacity – Heritage Applications

Staff Position	Heritage Applications
Chief Administrative Officer	3.0%
Commissioner	5.4%
Commissioners Admin	0.0%
Director	14.1%
Planning	
Development Manager	0.0%
Policy Manager	35.5%
Senior Planners (policy)	62.0%
Senior Planners (non-policy)	0.0%
Intermediate Planner (policy)	0.0%
Intermediate Planner (non-policy)	0.0%
Planner	0.0%
GIS Data Coordinator	0.0%
Planning Technician	0.0%
Administrative Assistant	5.8%
Clerk/Secretary	6.0%
Legal	
Clerk/Secretary	2.5%



Full Cost Analysis

Based on the results of the capacity analysis detailed above, the direct costs of processing each application type were calculated. Direct costs are those that are explicitly spent in the processing of an application, and include costs such as labour costs, employee-related costs, utility costs, operating supplies, contract costs, vehicle and equipment costs, and other miscellaneous service costs.

Staff provided a detailed breakdown of the 2021 Operating Budget for the City's Planning Department. While the budget structure contained within the 2021 Budget differed from that utilized in the 2018 modelling, Watson aligned the departments in order to estimate the growth in direct labour costs during this time period, which were calculated to be the following:

- Director: +1.6%
- Planning Department: +6.1%

Applying these adjustment factors to the labour costs contained in the 2018 Planning Application Fees model produced labour cost estimates for 2021, by staff position. The product of these costs together with the annual capacity results identified above results in the average annual costs of processing each of the heritage applications. Table 2 presents the calculated average annual direct costs.

Utilizing the methodology from the 2018 Planning Application Fees Review, the indirect costs have been calculated to be 23% of the direct costs. The sum of direct and indirect costs represents the total cost to the City of processing heritage applications. Based on average annual application volume estimates, the total costs of process equate to approximately \$650,000 annually.

Finally, the full cost fee per heritage application is computed by applying the average annual application volumes to the annual costs. These average full cost fees per heritage application type can be found in the last column of Table 2.

We trust this memo sufficiently addresses the requirements of the City in this regard. We would be pleased to discuss this with you further at your convenience.



Table 2
City of Kingston
Heritage Applications Full Cost Analysis

Heritage Costing Categories	Annual Costs			Average Annual Volume	Cost per Application
	Direct Costs	Indirect Costs	Total		
Emergency Approval	\$ 1,655	\$ 381	\$ 2,036	4.20	\$ 485
Delegated Authority	\$ 38,872	\$ 8,940	\$ 47,812	30.00	\$ 1,594
Delegated Authority (complex)	\$ 89,651	\$ 20,620	\$ 110,271	28.00	\$ 3,938
Heritage Committee	\$ 42,219	\$ 9,710	\$ 51,930	11.20	\$ 4,637
Heritage Committee (complex)	\$ 246,395	\$ 56,671	\$ 303,065	30.20	\$ 10,035
HK Pre-consultation	\$ 9,061	\$ 2,084	\$ 11,145	3.00	\$ 3,715
Request for Designation	\$ 74,145	\$ 17,053	\$ 91,198	13.00	\$ 7,015
Removal of Designation	\$ 4,421	\$ 1,017	\$ 5,438	1.50	\$ 3,625
Amendment to Designation	\$ 3,733	\$ 859	\$ 4,591	1.33	\$ 3,443
Site Plan Control (triggered by heritage)	\$ 1,664	\$ 383	\$ 2,047	2.00	\$ 1,023
Heritage Easement Agreement	\$ 5,639	\$ 1,297	\$ 6,936	1.60	\$ 4,335
Heritage Easement Agreement (complex)	\$ 10,828	\$ 2,491	\$ 13,319	1.80	\$ 7,399