



## REPORT

To: Mayor and Council  
From: Chief Administrative Officer  
Subject: For Your Decision: Service Delivery Review - Planning Services  
Date: February 26, 2024

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### Issue

Service Delivery Review - Planning Services

### Facts

- According to the 2020 Asset Management Plan, the Municipality currently has an annual funding gap of \$5.6 million between what should be spent to maintain assets and what is spent. This is the equivalent of \$2,156 per household, or more than double the current annual average levy on each house. The number is considered on the lower end of reality as it does not include all asset classes. Furthermore, inflation has increased significantly since the plan was developed, especially for Municipal infrastructure.
- By July 2025, Asset Management Planning legislation requires municipalities to determine current and future levels of service, the costs associated with that level of service and a plan to fund it. The legislation will, in essence, require municipalities to "live within their own means" by setting levels that are affordable and attainable long term. Not being compliant with this requirement will affect Municipal transfer funding.
- Grant funding programs have been shifting to take into account a Municipality's strategy in closing the asset gap and current state of funding their assets (i.e. the more the Municipality is addressing the deficit, the more likely a funding is to be approved. The less a Municipality is working to close the gap, the less likely they are to be approved for funding)
- Council directed staff to undertake Service Delivery Reviews (SDR) on all Municipal services. This is an evaluation process in which a specific municipal service is systematically reviewed to determine the most appropriate way to

provide it. The SDR process focuses on setting priorities and, where possible, reducing the cost of delivery (to the Municipality) while maintaining or improving services and service levels. At times, service levels may have to be cut.

- A part of SDR process is to consider how to enhance services through greater efficiency or process changes without added costs to the Municipality. In many cases however, Council will either need to reduce costs or increase revenues (fees & charges or levy) significantly to address the infrastructure gap and plan for the future. While doing so, the increased complexity of operating services needs to be taken into account. Therefore, it is only possible to reduce costs to the level required by reducing services and/or assets that Greenstone maintains.

## **Analysis**

Please see the attached Planning Services Service Delivery Review Report.

## **How does this tie to the Strategic Plan?**

### **1.0 Build Financial Capacity**

To create the financial capacity to invest in capital infrastructure and equipment to meet service level expectations and statutory requirements, and to allow flexibility to enhance existing and future service delivery options.

1.1 Service Delivery Review (SDR): Council has approved the commencement of a service delivery review. The SDR will look at current and future levels of service for program delivery and asset maintenance. With the completion of each SDR, develop business plans to ensure that the services meet the strategic service level objectives of Council in a fiscally prudent manner.

## **Recommendation**

1. **THAT** Council direct staff to issue an RFP by the end of March 2024 for a planner or planning company to administer planning activities for the municipality.
2. **THAT** Council direct staff to conduct an analysis of fees and costs to ensure the fees reflect the actual costs of an application or planning process.



<b>DATE</b>	<b>MONDAY, FEBRUARY 26, 2024</b>
<b>SUBJECT</b>	<b>SERVICE DELIVERY REVIEW – PLANNING SERVICES</b>
<b>REPORT NO.</b>	<b>SDR-15</b>

**RECOMMENDATION**

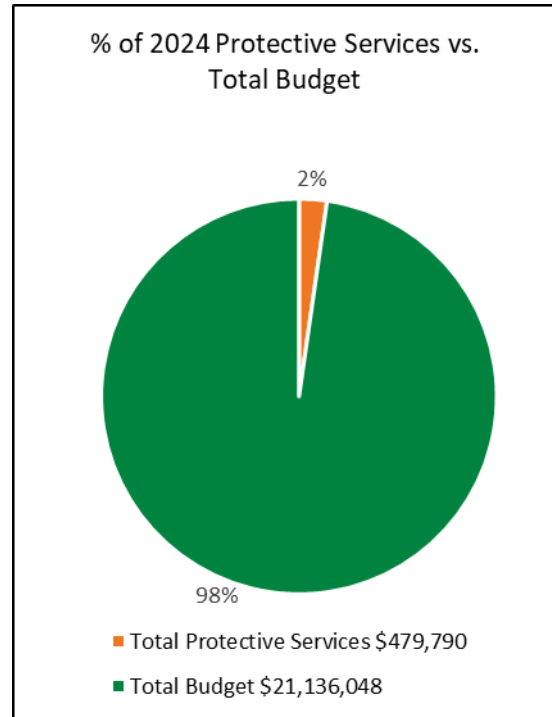
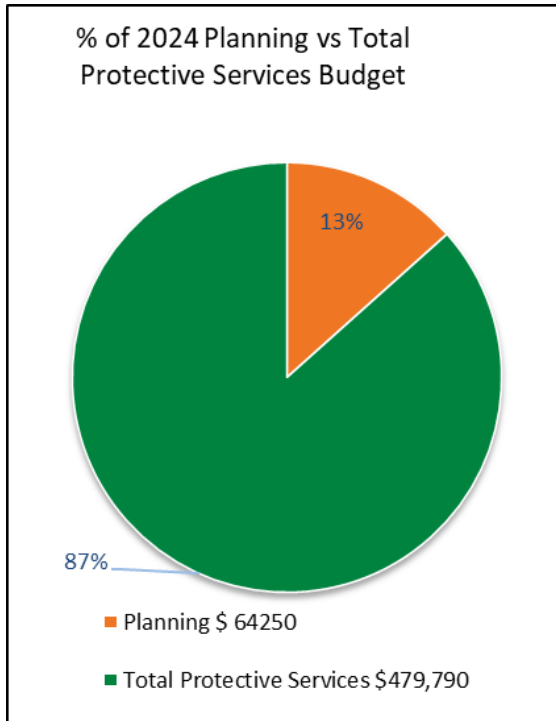
- That Council of the Municipality of Greenstone approve the following:
1. THAT Council direct staff to issue an RFP by the end of March 2024 for a planner or planning company to administer planning activities for the municipality.
  2. THAT Council direct staff to conduct an analysis of fees and costs to ensure the fees reflect the actual costs of an application or planning process.

**SERVICE SUMMARY**

<b>SERVICE</b>		<b>PLANNING SERVICES</b>
<b>DEPARTMENT</b>	Planning	
<b>SUMMARY</b>	The Planning Act RSO 1990 Provincial Policy Statement 2014 Ontario Heritage Act Green Energy & Green Energy Economy Act 2009 Endangered Species Act 2007 Environmental Protection Act RSO 1990 Ontario Clean Water Act 2006 The Growth Plan for Northern Ontario Ontario Water Resources Act RSO 1990	
<b>MANDATORY</b>	Yes	
<b>LEGISLATION</b>	Planning Act	
<b>BY-LAWS</b>	22-15 Adopt an Official Plan for the Municipality of Greenstone 23-77 Enact a Zoning-By-law for the Municipality of Greenstone 23-84 Appoint a Committee of Adjustment for the Municipality of Greenstone	
<b>FEES/CHARGES</b>	See attached Schedule of Fees Schedule I	

## 2024 BUDGET SUMMARY

2024 Expenditures:	\$64,250
2024 Revenues:	-\$7,150
Net Budget:	\$57,100

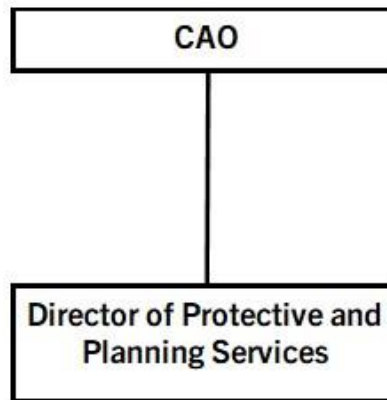


## STAFFING

	Positions	Hours Worked per Year
Full Time Positions	1	500
Contract Positions		
Student		
		<b>.3</b>

The Planning Department is a component of the overall Corporate Services budget. The net budget is derived from staff salaries and associated administrative support costs.

## ORGANIZATIONAL CHART



## SERVICE BACKGROUND

### Contract Services:

The Municipality retains the services of two planning consultants. The consultants are registered professional planners who provide the services necessary to complete planning matters and provide information, guidance and assistance when required. Activities relate to the update and maintenance of Planning Policy (e.g. Official Plan) and standards documents (e.g. Zoning By-law) as well as work associated with growth related plans or studies such as The Growth Plan for Northern Ontario.

The Municipality's two consultant planners are semi-retired, and the Municipality needs to develop a plan to retain the services of a consultant in the future.

### The Planning Act:

As outlined on the Ministry of Municipal Affairs and Housing website (What is the Planning Act?), the Planning Act "*sets out the ground rules for land use planning in Ontario and describes how land uses may be controlled, and who may control them.*"

The Act aims to:

- promote sustainable economic development in a healthy natural environment within a provincial policy framework
- provide for a land use planning system led by provincial policy
- integrate matters of provincial interest into provincial and municipal planning decisions by requiring that all decisions shall be consistent with the Provincial Policy Statement when decision-makers exercise planning authority or provide advice on planning matters
- provide for planning processes that are fair by making them open, transparent, accessible, timely and efficient

- encourage co-operation and coordination among various interests
- recognize the decision-making authority and accountability of municipal councils in planning.

Additionally the *Act* sets out the basis and tools to allow for/facilitate the establishment of local planning administration; the preparation of Official Plans and planning policies; the division of land; the regulation and control of land uses through Zoning By-laws and minor variances; the process by which land use decisions are to be made (e.g. notices of applications decisions and appeal considerations); and, establishes a variety of additional tools that municipalities can use (such as Site Plan Control, Community Improvement Plans etc..) to facilitate future planning.

The Municipal role is to “*make local planning decisions that will determine the future of communities*” and to prepare planning documents, such as an Official Plan to set out the municipality’s planning goals/policies; and, a Zoning By-law, which sets out the rules and regulations applicable to development as it happens. The Municipality is also responsible to ensure that planning decisions and documents are consistent with the Provincial Policy Statement and conform or do not conflict with provincial plans (e.g. the Growth Plan for Northern Ontario).

These municipal roles are succinctly summarized above; however, execution is certainly more complex and nuanced and requires the integration of provincial objectives with the wants and needs of the public within a framework of varied and ever-evolving legislation having concern with the natural and built environment.

### **Municipal Planning Policy:**

The Municipality of Greenstone’s first post-amalgamation Official Plan (OP) came into effect in 2022 completing the process that was initiated in 2001.

Official Plans generally consist of:

- a) Mapping (schedules) that show the land base, set out different land use designations, and illustrate constraints affecting the municipality; and
- b) Text (policies) that describe vision of Council and the Community for the planning area and outline key objectives that are intended to move the Municipality towards that vision.

Policies are generally formed by public, staff, agencies, and Council understanding of the area and are supported by issue/area-specific studies and reports, where necessary. All Council decisions, including passing of by-laws, must conform to the Official Plan.

- a) keeping informed on broad and local demographic, social, economic, regulatory and relevant policy conditions by researching, pursuing ongoing education & training and through networking with other professionals;
- b) being active participants and engaging in regional research and policy initiatives
- c) carrying out or participating in local studies (e.g. Housing Strategy, etc.) to formulate local policy development;
- d) completing related administrative tasks which include reporting (annually) on

- Official Plan policy outcomes; and,
- e) carrying out periodic updates/amendments to maintain the document considering changes in trends and associated legislation.

### **Municipal Planning Standards – Zoning By-law**

The Municipality of Greenstone’s first post-amalgamation comprehensive Zoning By-law was passed in December 2023. A Zoning By-law is intended to implement the Official Plan by establishing site-specific permissions and standards. The Zoning By-law is ‘applicable law’ and must be met prior to issuance of a related building permit.

Zoning By-laws generally follow a standard format/layout and address similar matters under the authorities of Section 34 of the Planning Act. Once a comprehensive by-law is adopted, the Staff activities around the Zoning By-law primarily relate to:

- a) implementing the by-law through planning opinions/interpretations provided to the public, Council and other staff (e.g. By-law Officer, Building Official);
- b) maintaining the by-law, by documenting typographical issues or areas lacking clarity or causing confusion in implementation; and,
- c) updating the by-law, by keeping abreast of trends and legislative changes, monitoring variances, complaints & compliance issues and processing amendments as appropriate to maintain the by-law’s relevance.

Public meeting and public input are important facets of the planning process and at times the results may be extremely time consuming. The new Official Plan was adopted in 2022 after almost 21 years of inputs, objections, amendments, etc.

As an example, the following is a timeline for a zoning by-law amendment, official plan amendment or a combination of the two;

- Council has 30 days to respond to a complete application
- A public meeting shall then be held which has to be advertised for a full 20 days before the date of the meeting
- Council then makes a decision at a later meeting
- The clerk then has to notify the applicant and interested parties within 15 days of a decision
- If approved, there is a 20-day period after the meeting to file an objection

Where a decision is not made by Council within the prescribed time period of the Planning Act, Council is required to refund a portion, or all of the application fee as follows:

- 50% if no decision is made within 90 days from the date of a complete application or 120 days for concurrent official plan and zoning by-law amendment.
- 75% if no decision made within 150 days from the date of a complete application or 180 days for concurrent official plan and zoning by-law amendment.

- 100% if no decision made within 210 days from the date of a complete application, or 240 days for concurrent official plan and zoning by-law amendment.

A non-decision within set timeframes can also be appealed to the Ontario Land Tribunal, resulting in additional costs and the risk of a decision being made by a third party.

A Minor Variance may take 1-2 months to complete, a Zoning By-law amendment may take 2 to 3 months to complete, an Official Plan Amendment (OPA) may take 9 to 12 months to complete. An OPA is subject to approval by the Ministry of Municipal Affairs and Housing. A plan of subdivision or condominium may take a minimum of 2 years to complete.

Year	Deeming	Zoning By-law Amendments	Official Plan Amendments	Variances
2013	4	2	1	3
2014	10	2	0	0
2015	5	2	1	1
2016	5	1	1	1
2017	4	1	0	2
2018	0	0	0	0
2019	3	1	0	2
2020	2	0	0	0
2021	2	1	0	0
2022	3	1	0	1
2023	1	1	0	0

### **Municipal Planning Standards – Committee of Adjustment**

The Committee of Adjustment is an independent quasi-judicial administrative tribunal that makes decisions under the Planning Act on applications for minor variances, consents, and permissions to extend or enlarge non-conforming uses. The Committee of Adjustment may consist of members of the public and/or Council with the members being appointed annually by by-law. Decisions of the Committee of Adjustment can be appealed to the Ontario Land Tribunal.

### **KEY PERFORMANCE INDICATORS**

Percentage of Planning Applications Approved: This measure looks at the rate at which planning applications are approved on the first attempt, to better understand the speed of the process and avoid the costly hearings of the Ontario Land Tribunal.

Meeting the timelines and deadlines for various applications as mandated by the Planning Act.



## ASSET USE

The existing Director works out of the main administrative office. One office space and office furniture along with IT resources are used including the IT network, printers, and desktop/laptops.

Total asset value allocation is less than \$50,000 for these items.

For vehicles, protection services have a 2014 Chevy Equinox purchased in 2013 used for building services, by-law enforcement, property standard issues, land sales, dog catching, and other duties as assigned. The vehicle has an estimated replacement cost of \$32,000.

## ANALYSIS

### Options:

1. Continue to complete all mandated planning activities in house using existing staff.
2. Contract the entire function to a third party.

### Improving In-House Process and Performance:

The Director of Protective & Planning Services in conjunction with the consultant planners carry out functions related to;

- Zoning By-Law amendments
- Official Plan amendments
- Consents to sever
- Road closings
- Site plan agreements
- Plan of subdivision and agreements
- Plan of condominium and agreements
- Zoning compliance/work order letters
- Deeming applications minor variance applications
- Certificates of validation

The role of the consultant planner is important as the Director is not a registered planner and the hiring of a full-time planner would not be a financially responsible move.

An electronic application system may be beneficial in that;

- An applicant can submit for an application 24/7/365
- An applicant can track the status at any time from application date to completion and throughout.
- There is an audit trail of all activity that occurs in the system
- Let remote staff including consultants access all relevant information
- Enable in-person or virtual consultations

**Adjusting Service Levels:**

The service level is as prescribed by the Municipal Act. Timelines and deadlines have generally been met.

**Cost Avoidance: Operating Costs and Capital Investments:**

The cost to operate the planning department is basic which includes the salary of the director, fees of the consultant planner, training, vehicle, supplies and associated administrative costs. There presently is no cost avoidance to provide the service.

**Enhancing and Expanding Service Levels:**

Currently staff provide the level of service as required by the Municipal Act. The service offered compared to the number of applications received is adequate for the Municipality.

**Community Improvement Plan**

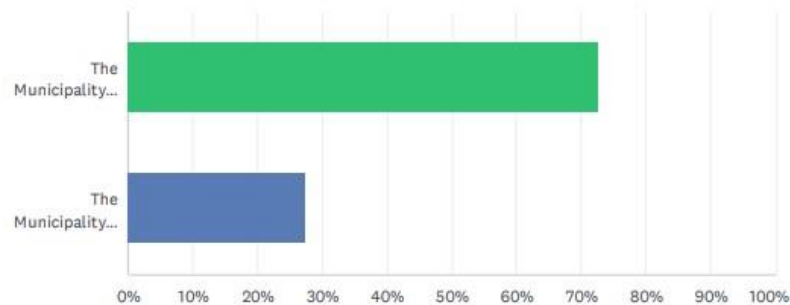
The Greenstone Beautification Strategy developed in 2023, indicates the need for a Community Improvement Plan. The timeline for this plan, based on strategy goals and phasing, is 5+ years. A Community Improvement Plan will help to facilitate future preparation and support multiple areas of planning, including housing development, beautification, and business development.

**New Revenues:**

The current application fees for planning applications have been derived from historical costs for the services and must be revenue neutral. The Planning Act states that the amount of the fees can only be based on actual costs and anticipated costs. The accruing of a profit is prohibited.

## Q7 How should the Municipality handle fees related to planning and development?

Answered: 114 Skipped: 15



ANSWER CHOICES	RESPONSES	
The Municipality should operate a full cost recovery model for fees related to planning.	72.81%	83
The Municipality should subsidize these costs through taxation to encourage development.	27.19%	31
TOTAL		114

As per the above graph, 83% of 114 respondents on the Municipality's Community Input survey stated that the Municipality should operate a full recovery model for fees related to planning.

The fees charged for each category of is the list of planning activities need to be analyzed to insure complete costs recovery.

An alternative to the current fee structure would be the charge a retainer for each application which would be drawn down for each activity required such as pre-consultation, planner reports, advertising, public meetings, municipal and indirect costs.

Any remaining balance could be returned to the applicant.

### **Alternative Service Delivery Including Shared Services or Contracting Out:**

The communities in northern Ontario mainly use the services of consultant planners as having a full-time planner on staff is not a financially prudent move as compared to the number of planning applications received.

Contracting out the total planning operation may be an alternative. However, there is a critical shortage of planners in the province.

### **Service Structure and Staffing Realignment:**

Discuss any changes to current staffing that may provide a better standard of service, more effective service, enhanced service, reduced overtime, or reduced overhead costs if a realignment was to occur.

### **Contracting Out the Planning Functions:**

The Municipality may seek the services of a planner or planning firm to carryout all the functions related to Municipal planning. These topics include:

- Zoning By-law Amendments
- Official Plan Amendments
- Consents to Sever
- Road Closings or Road Openings
- Site Plan Agreements
- Plan of Subdivision and Agreements
- Plan of Condominium and Agreements
- Zoning Compliance Letters
- Deeming Applications
- Minor Variance Applications
- Certificates of Validation
- Property Additions
- Easements
- Zoning Inquiries
- Sale of Lands
- Zoning Violations and Related Actions
- Consultations with the Committee of Adjustment
- Municipal Representation for Ontario Land Tribunal issues
- Planning Reports as Requested by Management or Council
- Availability for Council or Public Meetings
- Monthly Updates for Council Regarding Planning Matters (if required)
- Consultations with residents and applicants
- Arrange for the placing of placards as required

### **Discontinuing the Service (if applicable):**

Not applicable. Due to the legislated requirements of the Planning Act, the Municipality must provide this service.

## FINANCIAL IMPACT

### **New Revenues**

Revising the fee structure to ensure full cost recover would reduce the current reliance on tax levy funding of +/- \$60,000 annually.

### **Cost Avoidance**

A full cost recovery program using a 3<sup>rd</sup> party would mean that some of the existing costs embedded in the Planning Services budget would be offset or reallocated to other functional areas such as vehicle costs, office expenses and insurance premiums.

### **Contracting Out**

Although the intention of contracting all services out is to ensure a standard service level without having to employ a registered planner, the expectation is a positive impact on the overall budget in conjunction with a review of the fee structure to ensure 100% cost recovery from the 3<sup>rd</sup> party contractor.

Schedule I  
By-law 23-86

ACTIVITY OF SERVICES

2024 Fees and  
Charges HST Extra

**Planning**

Zoning By-law Amendment *	\$ 2,575.00	No
Official Plan Amendment *	\$ 2,575.00	No
*any charges from the MMAH to review an Official Plan Amendment or Zoning By-Law Amendment would be the responsibility of the Applicant		
Consent to Sever	\$ 1,739.25	No
Road Closing (Sale Price not included)	\$ 577.13	No
Site Plan Agreements	\$ 1,154.25	No
Plan of Subdivision and Agreements	\$ 6,856.67	No
Plan of Condominium and Agreements	\$ 6,856.67	No
Zoning Compliance / Work Order Letters	\$ 173.14	No
Deeming Application	\$ 346.28	No
Minor Variance Application	\$ 807.98	No
Certificate of Validation	\$ 2,564.28	No
Property Additions	\$ 865.70	No
Legal Costs: Applicants for any planning approvals that may result in appeals to the Ontario Land Tribunal (OLT) are responsible to pay the Municipality's legal costs in defending the relevant by-law, decision or other approval. This amount is a deposit and is refundable if not used	\$ 4,459.62	No
Legal Costs: Applicants for Committee of Adjustment approvals that may result in appeals to the Ontario Land Tribunal (OLT) are responsible to pay for the Municipality's legal costs in defending the relevant by-law, decision or other approval. This amount is a deposit and is refundable if not used	\$ 2,229.81	No