



COMMITTEE INFORMATION REQUEST (CIR) Committee of the Whole

Date: June 17, 2025
To: Mayor Milligan and Members of Council
From: Derek Cimolini, Manager of Planning
Subject: Land Use Application Procedures & Fees Bylaw

PURPOSE

The purpose of this report is to present the draft updated Land Use Application Procedures Bylaw and gauge how Council would like to proceed with public engagement.

BACKGROUND

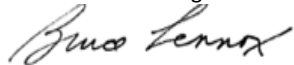
The City of Fernie's current Land Use Application Procedures and Fees Bylaw No. 1706 (Bylaw No. 1706) was adopted in 1996 with the last amendment in 2005 which removed the fee schedule from the bylaw to create a new bylaw called the Development Application Fees Bylaw No. 2008 (Bylaw No. 2008).

Bylaw No. 1706 is out of date and does not accurately reflect current practices for processing land use applications. Further to this, Bylaw No. 2008 consists of outdated fees that do not capture the required Staff time to review each application.

The draft Land Use Application Procedures Bylaw and fee schedule (Attachments 1 and 2) replaces both Bylaw No. 1706 and Bylaw No. 2008.

DISCUSSION

As noted above, Bylaw No. 2008 was adopted in 2005, and an update is required to modernize fees for inflation, as well as to compensate for the actual cost of application review to minimize private development being subsidized by the taxpayer.

Reviewed by:			
Chief Administrative Officer 	Corporate Officer	Director of Finance 	Director of Planning: 

As detailed in the *Compliance with Corporate Strategies and Policies* section of this Staff report, the fees increase follows direction from Council via the Council Strategic Plan, as well as the recommendations set out in the City of Fernie Development Approvals Review Report.

The fees were last updated in 2005 and, to determine the proposed fees for the 2025 Development Procedures Bylaw, Staff considered:

- Inflation;
- Comparison of other municipalities; and
- Cost recovery of Staff time for permit review and issuance.

Inflation:

Since 2005, when the bylaw was first adopted, inflation has increased by approximately 53% (Bank of Canada Inflation Calculator 2005 → 2025:

<https://www.bankofcanada.ca/rates/related/inflation-calculator/>).

Therefore, when we reviewed the fees from other jurisdictions (outlined below), we used this calculator for any fees prior to 2024 to ensure that we were getting accurate averages for each application fee.

Comparison of other municipalities:

Staff reviewed the fees from the following municipalities, towns, and districts:

- | | | |
|------------------------|-------------------------|---------------------------------------|
| ▪ City of Nelson | ▪ City of Rossland | ▪ Town of Golden |
| ▪ District of Squamish | ▪ District of Invermere | ▪ City of Castlegar |
| ▪ City of Kelowna | ▪ City of Kimberley | ▪ City of Revelstoke |
| ▪ City of Cranbrook | ▪ District of Sparwood | ▪ Regional District of East Kootenays |

Upon reviewing the fees from the jurisdictions above, it is evident that each jurisdiction has a range of application subcategories as well as differences in processes. For example, all of the jurisdictions above have a flat fee for an Official Community Plan (OCP) amendment whereas the City of Kelowna and the City of Rossland have a minor versus major OCP. As the City of Fernie will be implementing a minor versus major application type, we compared our proposed fees to the average of these two cities to cross reference our results from the cost recovery review.

However, it is also important to note that the City of Fernie has all Development Permits delegated to Staff as opposed to going to Council, so differences in the fee structure represent different processes that are not directly comparable. For example, the proposed fee for a Major Development Permit in the City of Fernie is \$1200.00 but the average across the jurisdictions is \$1375. The reason that this proposed fee is lower than the average is because less time and resources are used when an application is not required to be approved by Council. Instead, this proposed fee was based on the average amount of time it takes Staff to review and process an application as outlined below.

Cost Recovery:

While reviewing fees, Staff considered the average time required to assess different types of development applications. Due to the significant variation between applications, basing fees on exact Staff time per case is impractical. Instead, modernized fees were developed using average Staff wages and typical time spent on intake and review.

The proposed fee schedule in Attachment 2 estimates the actual costs associated with Staff duties in the land use permit process. This schedule is not yet finalized and before returning to Council for bylaw readings, Staff will adjust the fees as needed and provide justification and clarity on the proposed amounts.

Based on applications received in 2024, below is an example of the difference in revenue from the current bylaw to the proposed bylaw with the updated fees:

Permit Type	Number of Applications received in 2024 or lots created (subdivision)	Revenue based on current fees (2005)	Proposed Revenue based on updated fees (2025)
Form and Character Development Permit	15	\$11,250	\$18,000
Development Variance Permit - Minor	30	\$15,000	\$15,000
Development Variance Permit - Major	6	\$3,000	\$10,200
Hazard Lands Development Permit / Watercourse Protection Development Permit	41	\$8200	\$24,600
Subdivisions	10 applications 56 new lots created	\$2500 + \$5600	\$10,000 + \$11,200
Bylaw Amendments	2	\$2000	\$4000
TOTAL		\$47,550	\$93,000

Procedures

Bylaw No. 1706 has not been updated since 2005 and does not accurately reflect current practices. The proposed changes to the bylaw include:

- Expanded the sub-categories for application types to charge different fees for different ways we process applications (for example, a major versus minor application).
- Created parameters for each subcategory.

- Updated the processes for each application type based on our practices and updates to the Local Government Act (for example, no longer holding public hearings for certain rezoning applications).
- Added procedure for Floodplain Exemption Requests.
- Expanded on permit expiration criteria.
- Added bylaw language and fees for complex projects using well above-average Staff time.

In addition to updating this bylaw to improve transparency between the City and the public, these updates will also help inform the implementation of the Cloud Permit Planning Module.

Public Education

The content of the draft Bylaw formalizes the regulatory process under how permits are accepted and processed. The bylaw also modernizes fees based on direction taken from Council's Strategic Plan and the City's Development Approvals Review Report. The processes outlined in the bylaw will provide clarity on how land use applications are processed. To educate the public and development community on the content of the bylaw, Staff will:

- Create summary materials of the new Land Use Application Procedures Bylaw and posting on the City of Fernie "Let's Talk" webpage, along with a link to the new proposed bylaw and Council materials.
- Advertise the new bylaw in the Free Press either as a bulletin or public notice.
- Post links to "Let's Talk" through Social media.
- Send information to the Chamber of Commerce so they can share it with their members.
- Send information to the Canadian Homebuilder's Association so they can share it with their members.
- Inform individual builders and developers using the contact list that was generated during the development approvals review process.
- Give informal notice through conversations with applicants and potential applicants.
- Summarize any feedback received.

COMPLIANCE WITH CORPORATE STRATEGIES & POLICIES

Council Strategic Plan (2023-2028)

An updated Land Use Application Procedures Bylaw meets the following values of Council:

- **Fiscal Responsibility:** *We are mindful that tax dollars come directly from the pockets of our community members.*
 - Updated fees ensure that development will "pay for itself", and that taxpayer subsidies on private development projects are minimized or avoided.
- **Integrity:** *We operate with openness, honesty, and accountability.*
 - Updating the bylaw to reflect modernization of planning practices and regulations will improve transparency between the municipality and the public.

Further to these values being met, an updated Land Use Application Procedures Bylaw is consistent with elements of the Quality Services, and Liveable Community and Organizational Excellence objectives:

- **Citizen Satisfaction** (development community): *Create a clear process and supporting educational materials for addressing and responding to customer inquiries.*
- **Services and Fees:** *Set policy-based support targets for municipal services and establish centralized management and annual review of fees and charges.*
- **Permitting Process:** *Digitize building and development application intake, tracking, and approval processes.*
- **Business Systems:** *Advance the implementation of industry-standard practices, processes, and systems to support effective operations.*

City of Fernie Development Approvals Review Report

The proposed bylaw update is consistent with the City of Fernie Development Approvals Review report:

- **Strategic Recommendation #2:** *Develop and implement a cost-recovery model for application and inspection fees to cover the actual costs of the services provided.*
- **Strategic Recommendation #4:** *Enhance the application intake process and develop comprehensive external communication materials to improve applicant experience and application quality.*

IMPLICATIONS

Adopting and implementing a new Land-use Applications Procedure Bylaw will help reduce budget constraints within the department. From a financial perspective, updated fees should reduce the pressure on the taxpayer to pay for the Staff time spent on private development. The increased fees may also be re-invested into the department to increase training and capacity amid Fernie's ongoing growth.

CONCLUSION

An updated Land Use Application Procedures Bylaw is an important step for the Planning department as it modernizes current practices which improve transparency with the public, and increased fees will reduce taxpayer subsidies on private development. Staff have presented a draft bylaw to COTW and are looking forward to educating the public as part of the bylaw consideration and adoption process.

Respectfully submitted,

Derek Cimolini, Manager of Planning

Attachments:

Draft City of Fernie 2025 Land Use Application Procedures & Fees Bylaw
Appendix A - Proposed Fees - 2025 Final Review