

BUDGET COMMITTEE FEBRUARY 5, 2008

**2008 DRAFT OPERATING BUDGET
DEVELOPMENT PLANNING DEPARTMENT REVENUE SHORTFALL
WORKPLAN/MITIGATION PLAN**

Recommendation

The Commissioner of Planning recommends that the following report be RECEIVED for information purposes.

Economic Impact

The Development Planning Department budgeted revenue amount for 2008 is \$2,875,600 and budgeted expense is \$2,647,030 compared to the 2007 Budget amounts of \$5,195,600 (revenue) and \$2,779,955 (expense).

Communications Plan

N/A

Purpose

To provide the Budget Committee with the Development Planning Department's Workplan/Mitigation in response to the revenue shortfall.

Background - Analysis and Options

In response to the Budget Committee meeting held January 18, 2008, this report has been prepared as a follow up to the Commissioner's verbal presentation.

In 2006, the Department took in a record amount of \$4,374,931 in planning application fees following the review of planning application fees and subsequent increase in fees. In 2007, the Department experienced a decline in fees to \$2,696,000 and the projected revenues for planning fees for 2008 are \$2,875,600. Revenue from planning fees between 2006 and 2007 declined by approximately 40% due primarily to the fact that the Department received fewer plans of subdivision applications (15 applications in 2006 to only 3 in 2007), resulting in a \$1,300,000 drop in fees for this type of application. The total number of planning applications received in 2006 was 317 compared to 235 applications in 2007. Notwithstanding the 40% decline in application fees between 2006 & 2007, the actual decline in the volume of applications was only 25%. The 235 new planning applications received during 2007 still represents a significant volume of applications for the Development Planning Department to process and although the projected revenues for 2008 are projected to be similar to 2007, it is expected that the number of applications the Department will receive in 2008 will also be consistent with 2007.

A factor contributing to the decline in planning applications is as a result of the servicing constraints facing most municipalities within York Region. The required YDSS infrastructure projects (conveyance and treatment) and the timing of those improvements, anticipated in 2012, has meant that there is a lack of servicing allocation available to accommodate new development proposals.

In addition to the new applications that the Department will continue to receive during 2008, there exists a backlog of applications from previous years that still require ongoing staff time to manage and bring to completion. The total number of applications currently being dealt with by the 10 F/T Planners responsible for the development application file workload is approximately 600. Therefore, staff will be devoting more time to the processing of the backlog of planning

applications. The current average file workload for each Planner is approximately 60 files per Planner based on the current staff complement of 10 Planners.

The Development Planning Department also has a Planner 1 staff position that is dedicated to the review and commenting of variance and consent applications to the Committee of Adjustment. In 2007, the Planner 1 reviewed 415 variance and 96 consent applications and provided support at evening meetings to the Committee of Adjustment and attended OMB hearings on behalf of the City. The salary of this staff member is covered entirely by the Development Planning Department Budget, however none of the revenue collected from Committee of Adjustment application fees is directed to defer the Planning Department budget expenses.

Initiatives Taken To Date

1. Staff Redeployment and Vacant positions

In response to the decline in planning application revenue during 2007, the decision was made to place a hold on the recruitment of the 2 new F/T staff complement positions (1-GIS Technician and 1-Urban Designer) and deploy the existing Senior Environmental Planner. An Administrative position within the Development Planning staff complement to the Policy Planning Department. In addition, the Senior Environmental Planner and Office Co-coordinator positions were vacant for all of 2007 and the Department realized the benefit in savings in salary.

2. Further Review of Planning Fees

C.N. Watson and Associates Ltd. are currently undertaking a further review and refinement of the City's planning fees. This review will examine the distribution of the current planning fee schedule by application type and should more accurately weight the fee structure (base fee plus per unit fee) to assist the Department in collecting full cost recovery for each application type. Given that we have a baseline of two years it is suggested that the City request C.N. Watson to re-visit Vaughan's full cost recovery model to verify its currency.

New Initiatives

1. Conduct Policy Studies Internally with further deployment of staff from Development Planning to Policy

In addition to the 4 F/T staff that have been either transferred to the Policy Planning Department or placed on hold, it is also recommended that 2 additional Planners currently part of the Development Planning staff complement be seconded to the Policy Planning Department to assist in the preparation of the related Official Plan Review focused area studies. With the assistance from other department's including Engineering, Parks, Finance and Legal Services, the Planning Department will be in a position to undertake the preparation of a number of official plan review related studies in house, thereby saving several hundred thousand dollars in consulting costs. However, there still may be a need to retain consultants to conduct specialty work in support of certain components of these studies.

In 2007, the Department Organization Chart included a total approved complement of 32 F/T staff approved as part of the 2007 Budget process.

The initiatives taken will have the effect of reducing the total complement within the Development Planning Department from a 2007 Budget approved staff complement of 32 F/T positions to 26 F/T staff for the 2008 Budget period. With the transfer of 2 additional Planners from the Development Planning Department to the Policy Planning Department the total number of Planners dedicated to the review of the backlog of approximately 600 planning applications will decline from 10 to 8, and the average number of applications per Planner will increase from 60 to

75. This is in contrast to other municipalities where the file load per Planner is much less (e.g. Brampton-26; Mississauga 30-35).

Relationship to Vaughan Vision 2020

This report is consistent with the priorities set forth in Vaughan Vision 2020, particularly “Plan & Manage Growth & Economic Vitality”.

Regional Implications

N/A

Conclusion

The management of the Development Planning Department will continue to monitor the situation to ascertain if the changes will have any impact upon the level of service to our clients and to be cognizant of any impact upon our employees and will on an as need basis report such impacts and recommend remedial actions to the City Manager for review.

Attachments

N/A

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Respectfully submitted,

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Commissioner of Planning

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