



<b>Policy:</b>	5.6.1
<b>Approved By:</b>	Trust Council
<b>Approval Date:</b>	June 9, 2021 Repeals policies 5.6.1, 5.6.2 and 5.6.3
<b>Amendment Dates:</b>	
<b>Policy Holder:</b>	Director of Local Planning Services

## APPLICATION PROCESSING SERVICES POLICY

### Purpose

This policy is intended:

- to identify the services provided by Islands Trust and the different levels of costs associated with these services;
- to provide direction for the preparation of Fees Bylaws and Schedules by Local Trust Committees (LTCs);
- to provide the principles by which cost recovery for extraordinary services beyond the standard fee can be negotiated and agreed to by an applicant and a LTC;
- to recover from applicants 100 per cent of the average cost of processing the development applications, while permitting consideration of lower cost recovery for environmental protection and community benefit.

### A. Definitions

1. Application Processing Services include:

- 1.1 Bylaw Amendments to an official community plan, zoning bylaw, subdivision bylaw or other land use bylaws;
- 1.2 Development Application Requests for:
  - 1.2.1 Development Permits,
  - 1.2.2 Development Variance Permits,
  - 1.2.3 Temporary Use Permits,
  - 1.2.4 Soil Removal and Deposit Permits,
  - 1.2.5 Heritage Alteration Permits,
  - 1.2.6 Board of Variance Orders,
  - 1.2.7 Liquor Licensing Permits,
  - 1.2.8 Cannabis Licensing Permits,
  - 1.2.9 Siting & Use Permits,
  - 1.2.10 Land Use Contracts;
- 1.3 Agency Referral Responses and Comments on applications referred from other agencies.

2. Service Levels include:

- 2.1 Information Service that involves providing information to applicants and the general public at no cost, as a public service, and funded by property taxation revenues.
- 2.2 Standard Application Processing Service that involves providing a specific service to applicants as a direct response to an application, whether directly to Islands Trust or through a referral from another agency, and primarily funded by established fees paid by an applicant.
- 2.3 Extraordinary Processing Service is a service provided to the applicant that is beyond the standard processing service, with funding provided by the applicant as a deposit with the application fee or through a cost recovery agreement.

3. Costs:

- 3.1 General Service Costs includes average hourly cost of each staff position involved in processing the applications multiplied by the average number of hours taken to complete processing of that type of application, and includes administrative overhead costs.
- 3.2 Estimated Direct Costs include advertisements, delivery of notices, hall rentals, minute taking at public hearings and community information meetings, and staff travel to attend public hearings and community information meetings.
- 3.3 Extraordinary Processing Costs include costs beyond the standard processing service such as additional community information meetings, review of technical reports provided by specialists hired by the applicant, and specific legal services such as the preparation and registration of legal documents and the acquisition of legal advice.

4. Community Benefit:

- 4.1 Community benefit is the provision of an amenity that is of value to the community, and identified in the Official Community Plan as a community benefit or amenity.

**B. Policy**

**1. Standard Application Processing Services**

Applicants are responsible for paying different rates based on the level of service. The details involved in each level of a standard application processing service are identified below.

**1.1 Information Service – No Fee Required**

Information services are considered a public service and include:

- 1.1.1 ***providing information*** on application process requirements including a meeting with staff;
- 1.1.2 ***providing assistance*** to complete an application;
- 1.1.3 ***determination*** of applicable fees;

1.1.4 **identification** of readily identifiable issues to be addressed.

**1.2 Application and Processing Service – Included in Application Fee**

For rezoning applications, temporary use permit applications, development variances, development permits, liquor and cannabis retail license applications, and strata conversion applications, the application fee covers the following services:

- 1.2.1 comprehensive staff assessment including site visit where required;
- 1.2.2 staff reports;
- 1.2.3 discussion between planners and applicant throughout process;
- 1.2.4 review of archaeological data;
- 1.2.5 staff referral to other agencies, advisory planning commissions, and analysis of their comments;
- 1.2.6 bylaw or resolution drafting, including review for compatibility with Trust Object and policies and the relevant Official Community Plan;
- 1.2.7 staff report with recommendation for Local Trust Committee (LTC) approval consideration;
- 1.2.8 processing bylaws through Executive Committee for approval consideration, if necessary;
- 1.2.9 forwarding to Minister of Municipal Affairs and Housing for approval consideration, if necessary;
- 1.2.10 adoption of all bylaws or issuing of permits as required.

**1.3 Public Hearing – Included in Application Fee**

Services related to a Public Hearing that will be provided to an applicant who has paid an application fee include:

- 1.3.1 conducting one public hearing with staff present (includes staff time, staff travel costs and estimated direct costs such as meeting place rental, newspaper notice of public hearing, minute taker fee, and delivery of notices when needed).

**1.4 Community Information Meeting – Included in Application Fee**

Services related to a Community Information Meeting that will be provided to an applicant who has paid an application fee include:

- 1.4.1 conducting one community information meeting with staff present (includes staff time, staff travel costs, and estimated direct costs such as meeting place rental and delivery of notices when needed).

## **2. Extraordinary Processing Services – additional fees required**

Extraordinary Processing Services are services provided to the applicant that are beyond the standard processing services identified in 1.1- 1.4. Applicants are responsible for paying additional fees for extraordinary processing services.

### **2.1 Role of LTC in Determining Necessity for Extraordinary Services**

2.1.1 Local trust committees (LTCs) can determine the necessary requirements for processing applications. These requirements may necessitate extraordinary processing services, where the actual or estimated processing service level costs are in excess of the costs of a standard application fee for a similar process because:

2.1.1.1 of additional requirements such as additional public consultation, complex covenant requirements or extensive staff time; or,

2.1.1.2 the processing requirements include services obtained from professions outside Islands Trust such as special technical assistance and/or specific legal services; or,

2.1.1.3 the processing requirements include First Nations site visit(s).

2.1.2 The Regional Planning Manager is responsible for assisting LTCs in identifying and costing extraordinary processing service requirements and advising the LTCs of the options available to handle these requirements.

2.1.3 The Regional Planning Manager is responsible for ensuring that complex service requirements include terms of reference which outline detailed criteria and parameters for the extraordinary services that are required.

### **2.2 Provision of Extraordinary Processing Services**

2.2.1 Extraordinary processing services can be provided by Islands Trust via a cost recovery agreement, with costs to be paid by the applicant, in addition to the applicable standard fee.

2.2.2 A resolution of the LTC following the recommendation of the Regional Planning Manager is required to proceed.

2.2.3 When extraordinary processing service requirements have been identified, the applicant should be advised by staff that the application cannot be processed until additional funds are provided by the applicant and a cost recovery agreement with the Islands Trust is signed and a security deposit has been received.

## **3. Extraordinary Services Cost Recovery Agreements**

### **3.1 Extraordinary Services Cost Recovery – Principles**

- 3.1.1 Cost Recovery Agreements reflect a service level which includes the extraordinary services needed to undertake the approval process for a complex application.
- 3.1.2 Cost Recovery Agreements will endeavour to recover all costs of processing that exceed the standard costs of processing services.
- 3.1.3 The existence of a Cost Recovery Agreement will not fetter a LTC's discretion with respect to an application before the committee.
- 3.1.4 Authority for negotiating Cost Recovery Agreements is provided within the respective LTC Fees Bylaws.
- 3.1.5 Cost Recovery Agreements will proceed only by resolution of the LTC after consultation with the Regional Planning Manager, except in situations where an applicant is seeking to discuss an issue directly with Islands Trust legal advisors, in which case the Director of Local Planning Services may approve the Cost Recovery Agreement.
- 3.1.6 The Cost Recovery Agreement letter will be submitted, together with the recommendation of the Regional Planning Manager and the LTC resolution, for approval by the Director of Local Planning Services (or designate) prior to final agreement with the applicant.

### **3.2 Services Requiring Extraordinary Services Cost Recovery Agreement**

The services identified below are considered to be beyond the scope of standard processing services. These services require payment, in addition to standard application fees established in the Fees Bylaw, of additional fees based on a cost recovery agreement between the Islands Trust and an applicant:

- 3.2.1 staff time required for covenant development;
- 3.2.2 staff time to attend more public consultation meetings than that already covered by the standard application fee, including community information meetings, advisory planning commission meetings, and public hearings;
- 3.2.3 technical assessments or studies as required by the local trust committee;
- 3.2.4 retaining special technical assistance required by the local trust committee;
- 3.2.5 additional legal counsel services required for the application not covered under the estimated direct costs of the Fees Bylaw;
- 3.2.6 process agreement negotiation;
- 3.2.7 First Nations site visits;
- 3.2.8 other resources and/or services required by the local trust committee to process the application not covered by the Fees Bylaw.

#### **4. Funding Basis and Fee Adjustments**

- 4.1 Application processing services are funded primarily through fees, as per a LTC's Fees Bylaw. Local trust committees should adopt a Fees Bylaw consistent with the model Fees Bylaw in Attachment 1.
- 4.2 Standard fees in Fees Bylaws are to be based on average processing costs, as per Section 462 of the *Local Government Act*, Section 31(2)(b) of the *Islands Trust Act*, Section 41 of the *Liquor Control and Licensing Act*, and Section 35 of the *Cannabis Control and Licensing Act*. Standard fees are calculated as the product of staff labour costs multiplied by processing time (including Planner and administrative support). Standard application fees include estimated direct costs.
- 4.3 A local trust committee may enact variances of up to 20% below what is indicated in the Trust Council's Model Fees Bylaw when adopting a LTC Fees Bylaw. The following criteria must be considered when evaluating a fee variance:
  - 4.3.1 the level of community/environmental benefit offered by the type of application;
  - 4.3.2 variances in direct costs (e.g. hall rental); and,
  - 4.3.3 an amendment to an approved application occurring within 6 months of the approval date.
- 4.4 Variance to a Fees Bylaw must be adopted by bylaw amendment. All LTC Fees Bylaws and Fees Bylaw amendments must be approved by the Executive Committee before adoption by a LTC.
- 4.5 Where the model fees bylaw permits reduced fees for temporary use permits that have a community benefit and are small scale, the local trust committee fees bylaw must specify the actual community benefit to which the fee applies, and should be supported by policies in the official community plan on what are considered amenities to the community.
- 4.6 Applications for development that begin without a permit or bylaw authorisation are subject to a 20 per cent surcharge to recover the additional cost in processing these types of applications.

#### **5. Application Fee Sponsorship**

- 5.1 If eligible, as identified in [Trust Council Policy 4.1.13 Guidelines for Executive Committee Sponsored or Local Trust Committee Initiated Development Applications](#), the applicant may apply for development application fee sponsorship.

## **6. Development Approval Information**

- 6.1 The Development Approval Information (DAI) Bylaw provides a mechanism to ensure that the LTC receives appropriate reports and documentation (such as reports from engineers, biologists, hydrogeologists, and geotechnical specialists) from applicants to support rezoning, temporary use permit, and development permit applications.
- 6.2 DAI bylaws reduce operational costs by ensuring that applications are complete and the information provided is appropriate.
- 6.3 Local trust committees should adopt a development approval information bylaw.
- 6.4 The Regional Planning Committee should develop a model Development Approval Information bylaw for addition as Attachment 2 to this policy.

## **C. Legislated References**

*Local Government Act, S.462*

*Local Government Act, S.486*

*Liquor Control and Licensing Act, S.41*

*Cannabis Control and Licensing Act, S.35*

## **D. Attachments/Links to Supporting Forms, Documents, Websites, Related Policies and Procedures**

1. Model Fees Bylaw

**[INSERT LTC NAME] LOCAL TRUST COMMITTEE**

**BYLAW NO. [XX]**

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A bylaw to prescribe fees for amending bylaws, issuing permits, examining applications for subdivision, and examining other referrals and applications. Model fees reflect the cost recovery for application processing.

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WHEREAS Section 462 of the *Local Government Act* provides that a local government may, by bylaw, impose fees related to applications and inspections; Section 41 of the *Liquor Control and Licensing Act* and Section 35 of the *Cannabis Control and Licensing Act* provides that a local government may, by bylaw, impose fees for referral of a license under that Act, **[DENMAN AND HORNBY ONLY and Section 31(2)(b) of the Islands Trust Act provides that a local trust committee may impose a fees to recover the cost of processing siting and use permits]** ;

NOW THEREFORE the **[Insert LTC Name]** Local Trust Committee, being the Local Trust Committee having jurisdiction in respect of the **[Insert LTC Name]** Local Trust Area in the Province of British Columbia pursuant to the *Islands Trust Act*, enacts as follows:

**Citation**

**1.1 This bylaw may be cited as the "[Insert LTC Name] Local Trust Committee Fees Bylaw, No. [XX]" .**

**Interpretation**

2.1 In this bylaw:

"Applicant" means:

2.1.1 the person authorized under the \_\_\_\_\_ Island Local Trust Committee Procedures Bylaw No. \_\_\_\_, \_\_\_\_\_ to make an application in respect of a bylaw or permit under the *Islands Trust Act* or Part 14 or Part 15 of the *Local Government Act*;

2.1.2 an applicant for a license under the *Liquor Control and Licensing Act* in respect of which the Local Trust Committee is requested or required to provide comments or recommendations;



- 2.1.3 an applicant for a license under the *Cannabis Control and Licensing Act* in respect of which the Local Trust Committee is requested or required to provide comments or recommendations;
- 2.1.4 an applicant for subdivision review under the *Land Title Act* or the *Strata Property Act*;
- 2.1.5 an applicant for the conversion of a previously occupied building to strata lots under the *Strata Property Act*;
- 2.1.6 an applicant for a soil deposit permit or soil removal permit issued pursuant to a bylaw enacted under Part 14 of the *Local Government Act*; or
- 2.1.7 an applicant to a board of variance established under Part 14 of the *Local Government Act*.

“Application Processing Fee” means the initial amount payable to the Islands Trust in respect of any application under this bylaw.

“Community Benefit” refers to an application that results in provision of an amenity that is of value to the community, and identified in the Official Community Plan as a community benefit.

[NOTE: This is in relation to temporary use permits for a use under a specified size that provides a community benefit. The local trust committee would define community benefit here based on its official community plan definition of community benefit]

“General Service Cost” includes average hourly cost of each staff position involved in processing the applications multiplied by the average number of hours taken to complete processing of that type of application, and includes administrative overhead costs..

“Estimated Direct Costs” for bylaw amendments listed in Table 1 means the Islands Trust’s estimate of its actual average cost of disbursements associated with the processing of an application, including:

1. newspaper advertising for one community meeting,
2. notifications, postal and delivery costs of statutory notifications for one public hearing,
3. rental of premises for one community meeting meetings and/or one public hearing,
4. contract minute-taker costs recording or preparation of minutes of one community meeting and/or one public hearing and,
5. staff travel expenses for one site visit, one community meeting and one public hearing.

“Estimated Direct Costs” for temporary use permits listed in Table 2 means the Islands Trust’s estimate of its actual average cost of disbursements associated with the processing of an application, including

1. one newspaper advertisement, notifications, postal and delivery costs of statutory notifications for one community meeting,
2. rental of premises for one community meeting,
3. contract minute-taker costs recording or preparation of minutes of one community meeting, and
4. staff travel expenses for one site visit, one community meeting.

“Islands Trust” means the Director of Local Planning Services or their authorized representative.

**Application Fees**

3.1 Prior to the processing of an application listed in Column 1 of Table 1, Table 2, Table 3 or Table 4, the applicant must deliver to Islands Trust the corresponding application processing fee in the amount shown in Column 2 subject to section 4. The application fee includes general service costs and estimated direct costs.

<b>TABLE 1 – Bylaw Amendments (OCP and Zoning Bylaw)</b>	
<b>Column 1: Type of Application</b>	<b>Column 2: Fee</b>
1. Major (e.g. change to density or land use designation)	\$7,800
2. Minor (e.g. policy change without changing density or land use designation not requiring an OCP amendment)	\$4,600

<b>TABLE 2 – Permits</b>	
<b>Column 1: Development Permit in Respect of:</b>	<b>Column 2: Fee</b>
1. Protection of Natural Environment, Ecosystems and Biological Diversity	\$1,000
2. Protection of Development from Hazardous Conditions	\$1,000
3. Protection of Farming	\$1,000
4. Objectives for Form and Character	\$1,700
5. Objectives to Promote Energy Conservation	\$1,000
6. Objectives to Promote Water Conservation	\$1,000
7. Objectives to Promote the Reduction of Greenhouse Gas Emissions	\$1,000
8. Development Permit Amendment	\$1,000

<b>Type of Development Variance Permit</b>	
9. Development variance permit (commercial, industrial or institutional development)	\$1900
10. Development variance permit (residential development)	\$1900
<b>Type of Temporary Use Permit</b>	
11. Temporary Use Permit (residential/commercial/industrial)	\$2150
12. Temporary Use Permit for residential uses and commercial uses under 95 square metres that provide community benefit..	\$1000
13. Temporary Use Permit Renewal	\$700
14. Temporary Use Permit Renewal (Community Benefit)	\$350
<b>Other Permits</b>	
15. Siting and Use Permit	\$250
16. Heritage Alteration Permit	\$1,700
<b>Combination Applications</b>	
17. Development Permit in respect of a protection area or water and energy conservation in combination with a companion application for a Development Variance Permit	\$2,500
18. Development Permit in respect of form and character in combination with a companion application for a Development Variance Permit	\$3,000

<b>TABLE 3 – Subdivision Referrals</b>	
<b>Column 1</b>	<b>Column 2: Fee</b>
1. Application for Subdivision Review – base fee	\$1,000
2. Application for Subdivision Review – per additional lot created	\$100
3. Application for Subdivision Review – parcel line adjustments only, creating no additional parcels	\$500

<b>TABLE 4 – Other Applications</b>	
<b>Column 1: Type of Application</b>	<b>Column 2: Fee</b>
1. Board of Variance	\$2,200
2. Land Use Contract amendment	\$2,000
3. Liquor & Cannabis Regulation Branch – Retail License Application and Process	\$1,500
4. Liquor & Cannabis Regulation Branch – Temporary License Change	\$500
5. Strata Conversions	\$1,500

**4. Fee for After-the-Fact Application**

4.1 An application for a permit or bylaw amendment to authorize work or an activity already undertaken, or in operation as of the date the application is made, the rated in 3.1 will be subject to a 20% surcharge.

**5. Collection and Refund of Application Processing Fee Amounts**

5.1 The total application processing fee must be received before the processing of the application can begin.

5.2 An applicant may withdraw their application at any time through written notice to the Planning Assistant and/or the Planner responsible for processing the application.

5.3 If an applicant withdraws an application before staff undertakes any planning work on the application, the Islands Trust must refund to the applicant the Application Fee, less \$100.

5.4 For an application in Table 1, or a Temporary Use Permit in Table 2, the applicant will be eligible for: 75% refund if the application is withdrawn once the file has been assigned by the regional planning manager to the planner; 50% refund if the first staff report has been submitted to the LTC; 25% refund once public notice of a public hearing or permit has been sent out, no refund will be provided after a Public Hearing or after consideration of the Permit by the local trust committee.

5.5 For applications in Table 2 (except for Temporary use Permit applications), Table 3 and Table 4, the applicant will be eligible for: 75% refund if the application is withdrawn once the file has been assigned to the planner; no refund will be provided if the first staff report has been submitted to the LTC.

**6. Extraordinary Service Costs (ESC)**

6.1 Extraordinary Services Costs will be paid by the Applicant through a cost recovery agreement, entered into with Islands Trust, in addition to the application processing fee.

- 6.2 Where legal work is required for the preparation of covenants, registration of covenant at Land Title Offices, registration of notice of a permit or housing agreement at the Land Title Office or for other purposes related to the application, staff will provide the Applicant with an estimate of the costs. The Applicant will pay a deposit of 150% of this estimate.
- 6.3 Where site visits involving First Nations are required for the processing of an application, staff will provide the Applicant with an estimate of the costs. The Applicant will pay a deposit of 150% of this estimate.
- 6.4 Where there may be need for additional community information meeting or public hearing not covered by the application processing fee, staff will provide the Applicant with an estimate of costs. The Applicant will pay a deposit of 150% of this estimate.
- 6.5 Where other additional costs beyond the general service costs and estimated direct costs not specified above are required for processing of an application, staff will provide the Applicant with an estimate of the costs. The Applicant will pay a deposit of 150% of this estimate.
- 6.6 If the amount paid by Islands Trust in respect of Extraordinary Service Costs is more than the deposit provided to the Islands Trust, the Islands Trust shall provide the Applicant with the amount and the applicant shall pay the amount upon receipt. The local trust committee may withhold the consideration of issuance of any permit or hold the consideration of adoption of any bylaw in abeyance until the amount has been paid.
- 6.7 Islands Trust must refund the unused portion of any Extraordinary Service Costs deposit to the applicant if it is unused for any reason.

**7. Annual Fee Increases**

- 7.1 Fees in section 3.1 increase by 2% on April 1st of each year following the date of adoption of the bylaw.
- 7.2 The (Insert LTC Name) will maintain a record of annual 2% increases and make that record available for public inspection.

**8. Application Fee Sponsorship**

- 8.1 Pursuant to Islands Trust Policy 4.1.13, Guidelines for Executive Committee Sponsored or Local Trust Committee Initiated Development Applications, an applicant may apply to the Executive Committee of Islands Trust for development application fee sponsorship.

**9. Severability**

- 9.1 In the event a portion of this bylaw is set aside by a court of competent jurisdiction, the invalid portion shall be severed and the remainder of the bylaw remains in force and in effect.

**10. Repeal**

- 10.1 “[Insert LTC Name] Local Trust Committee Fees Bylaw No. [XX]” is repealed upon adoption of this bylaw.
- 10.2 Any application for which a fee has been fully paid at the time this bylaw comes into force shall be processed to completion in accordance with the fee provisions of the repealed bylaw.

READ A FIRST TIME this            st            day of            , 20

READ A SECOND TIME this      st      day of      , 20

READ A THIRD TIME this      st      day of      , 20

APPROVED BY THE EXECUTIVE COMMITTEE OF THE ISLANDS TRUST

this      th      day of      , 20

ADOPTED this      th      day of      , 20

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**Chair**

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**Deputy Secretary**