

Procedure

Fiscal Policy for the Planning and Development Business

This procedure falls under the Fiscal Policy for the Planning and Development Business
C610

Program Impacted	Land Development <i>Edmonton is developed to support growth and social, cultural, economic, and environmental well-being.</i>
Approved By	City Manager
Date of Approval	December 19, 2024
Approval History	November 27, 2018 June 23, 2010 November 29, 2012
Next Scheduled Review	August 2028

1.0 RESPONSIBILITIES AND ACCOUNTABILITIES

1.01 City Manager to:

- a) Recommend to City Council approval of this policy and amendments thereto.
- b) Recommend to City Council approval of the changes to the Fiscal Policy for the Planning and Development Business.
- c) Recommend transfers to or from the Planning and Development Reserve through the budget approval process.
- d) Recommend to City Council a strategy to replenish the Planning and Development Reserve if the reserve falls below the minimum threshold.

1.02 Deputy City Manager, Urban Planning and Economy to:

- a) Oversee the policy and the Planning and Development Reserve to ensure it operates as intended and drives towards policy outcomes.
- b) Ensure that Departments are aware of this policy, its intent and guidelines.

- c) Request the necessary resources and provide the direction that may be required to meet the obligations of this policy. Develop and recommend an appropriate budget for the administration and implementation of the policy.
- d) Recommend to the City Manager transfers from the Planning and Development reserve through the budget for one-time operating or capital expenses related to the Planning and Development Business.

1.03 Branch Manager, Development Services to be responsible for delivery of review, approval and inspection services for the following: Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits and Building Permits. This includes the following responsibilities associated with each service:

- a) Meet service levels,
- b) Manage the budget,
- c) Approve fee changes, and
- d) Maintain appropriate documentation of decisions related to spending.

2.0 PROCEDURES

2.01 The Planning and Development Business shall be self-sustaining. Revenues from Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits, and Building Permits shall be sufficient to fund expenses (direct and indirect costs) of the Planning and Development Business. Activities, programs, and services included within the scope of the Planning and Development Business are listed in Appendix A of this procedure.

2.02 Fees will be established based on full cost recovery principles in order to generate sufficient revenue from Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits, and Building Permits to cover the Direct Costs and Indirect Costs related to the Planning and Development Business.

2.03 Revenue and expenses for the Planning and Development Business will be budgeted within the Development Services Branch budget annually in accordance with the City of Edmonton's budgetary practices. Certain activities, programs, and services relating to the Planning and Development Business (identified in Attachment A) may be undertaken by other Branches. Where this occurs, transfers of revenues and expenditures will be reflected in the operating budget of the Development Services Branch and the branch delivering the service.

2.04 Transfers to and from the Planning and Development Reserve will be reported through the annual budget.

2.05 In the event the Planning and Development Reserve balance is below the minimum balance, Administration will develop a strategy, to be approved by City Council, to achieve the minimum level over a period not to exceed three years, starting with the operating budget for the subsequent year. The strategy may involve, but is not limited to, the following procedures in no particular order, with the intention to limit the impact on core services:

- a) reducing one-time and temporary operating expenses,
- b) reducing ongoing operating expenses,
- c) reducing capital expenditures, and/or
- d) increasing fees.

2.06 In the event the Planning and Development Reserve balance is above the target balance, a strategy will be adopted to reduce the balance to the maximum level over a period not to exceed three years, starting with the operating budget for the subsequent year. The strategy will be communicated to City Council, and may involve, but is not limited to, the following procedures:

- a) undertake a review of the fee structures,
- b) undertake a review of C610 Fiscal Policy for the Planning and Development Business and revise the policy if necessary, and/or
- c) fund one-time operating or capital expenses related to the Planning and Development Business.

2.07 In accordance with City of Edmonton Reserve and Equity Accounts Policy, the Planning and Development Reserve will not accrue interest as its primary purpose is not to maintain future capital purchasing power and because there are no external requirements based on legislation or agreements requiring a reserve of this nature.

3.0 DEFINITIONS

3.01 Annual Deficit is the shortfall of revenue over expenses (excluding non-cash amortization) of the Planning and Development Business.

3.02 Annual Surplus is the excess of revenue over expenses (excluding non-cash amortization) of the Planning and Development Business.

3.03 Direct Costs are costs directly attributable to Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits, and Building Permits as listed in Appendix A of this procedure.

3.04 Indirect Costs are costs associated with but not directly attributable to Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits, and Building

Permits as listed in Appendix A of this procedure, such as shared services and administrative costs that are based on proportionate share of use.

3.05 Planning and Development Business is a self-sustaining operation that provides review, approval and inspection services for the following for the City of Edmonton: Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits, and Building Permits. For greater clarity, activities, programs, and services included within the scope of the Planning and Development Business are listed in Appendix A of this procedure.

3.06 Planning and Development Reserve is a stabilization reserve established to manage the long term fiscal sustainability of the Planning and Development Business. The balance in the reserve represents the appropriated accumulated surplus of the Planning and Development Business over time. Transfers to and from the Planning and Development Reserve will be reported through the annual budget. This reserve is only intended to stabilize the Planning and Development Business over long periods of time and is not to support any other activities, including tax-supported operations.

Appendix A

Title: Planning and Development Business Scope



The following list indicates activities, programs, and services that are included in the Planning and Development Business, as part of 1) Development Services, 2) entire Planning and Development Business. Also listed are specific activities within some programs that are not included within the Planning and Development Business.

1) Development Services includes Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits and Building Permits:

Activities, Programs and Services included in the Planning and Development Business	Activities, Programs and Services excluded from the Planning and Development Business
Land Development Application Reviews	
Servicing Agreements - Inspections, Drawing Reviews, and Administration	Servicing Agreements - Inspections and Drawing Reviews related to Utilities (example: Drainage)
Municipal Improvement Agreements	Servicing Agreements - Enforcement and Caveat Discharges
Subdivision	Naming Committee
Safety Codes Permit Review and Approvals	
Development Permit Review and Approvals	
Safety Codes Inspections	
Safety Codes Bylaw Compliance	
Zoning Bylaw Compliance/Enforcement	

Lot Grading Inspections	
Lot Grading Compliance/Enforcement	
Development Permit Inspections	Landscaping Compliance/Audit
Edmonton Service Centre - certificates, agreements, application review	
Edmonton Service Centre - customer service related to land development, development permit, and safety codes permit applications. This includes payments, mail, customer inquiries services.	Edmonton Service Centre - customer service related to tax levy supported programs. This includes payments, mail, customer inquiries services.

2) Entire Planning and Development Business includes Area and Neighbourhood Structure Plans, Rezoning and Subdivision, Servicing Agreements, Development Permits, and Building Permits:

Activities, Programs and Services included in the Planning and Development Business	Activities, Programs and Services excluded from the Planning and Development Business
Service enhancements (such as eServices and Urban Form Business Transformation project)	Edmonton Design Committee
Geospatial services required to support relevant services	Policy and Regulation Development
Systems, analytics and training required to support relevant services	Policy and Regulation Coordination
Budget and financial strategy required to support relevant services	Subdivision and Development Appeal Board - time spent preparing and attending
Corporate shared services and direct fees for intra-municipal service transactions	Reviews for Other departments/agencies
Branch Management & Administration for relevant services	Deputy City Manager's Office
Public hearing and public consultations	Project Management Office
Client Liaison	