



City of Richmond

Report to Committee

To: Planning Committee
From: Joshua Reis
Director, Development

Date: June 12, 2025
File: 08-4000-01/2025-Vol 01

James Cooper
Director, Building Approvals

Re: Development Applications and Building Approvals Fees Update

Staff Recommendations

1. That Development Application Fees Bylaw No. 8951, Amendment Bylaw 10674, be given first, second and third readings; and
2. That Consolidated Fees Bylaw No. 8636, Amendment Bylaw 10675, be given first, second and third readings.

Joshua Reis
Director, Development
(604-247-4625)
Att. 2

James Cooper
Director, Building Approvals
(604-247-4606)

REPORT CONCURRENCE		
ROUTED TO: Finance Department Law	CONCURRENCE <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

This report recommends amendments to the Development Applications and Building Approvals fees resulting from new types of development in response to the Provincial introduction of Bill 44 and Small-Scale Multi-Unit Housing (SSMUH). In addition, administrative amendments are also proposed to remove fee applications that are no longer applicable and recognize existing practices.

More specifically, the proposed amendments to Development Application Fees Bylaw No. 8951 and Consolidated Fees Bylaw No. 8636 are recommended to:

- Clarify the application of rezoning and development permit fees associated with SSMUH;
- Provide a tailored fee schedule applicable to SSMUH Building Permit (BP) applications;
- Adjust existing construction values to reflect current market construction costs; and
- Make administrative amendments to remove the fees previously charged for Land Use Contract (LUC) Amendments and codify the practice of recovering City costs incurred for external legal counsel where developers have requested to expedite the preparation of legal documents associated with development.

This report supports Council's Strategic Plan 2022-2026 Focus Area #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

Background

The *Local Government Act* enables a local government to impose fees for the provision of services, use of property, or exercise regulatory authority.

In the City of Richmond, the authority for development application (e.g., Rezoning and Development Permit (DP)) related fees are set out in Development Application Fee Bylaw No. 8951, and the fee amount is contained in the Consolidated Fees Bylaw No. 8636.

The City's Building Regulation Bylaw No. 7230 provides the authority to collect fees associated with the processing and issuance of BPs, with the fee amounts being contained in the Consolidated Fees Bylaw No. 8636. BP processing fees are based on the value of construction, varying with the size and scope of proposed work. They include an initial, non-refundable Plans Processing fee, submitted at the time of application, that is credited against the total fee, payable at the time of issuance. Fees for small-scale, residential construction (one-family dwelling or two-family dwelling units) are based on City stipulated construction costs per unit of floor area. Historically, these values increased annually with inflation, but in recent years, true construction costs have far exceeded inflation and the City's cost schedules.

The proposed fee amendments in this report are independent of any fee adjustments brought forward as part of the yearly Consolidated Fees Bylaw update.

Analysis

Changes and Fees Resulting from the Implementation of Small-Scale Multi-Unit Housing

As a result of the introduction and implementation of the “Small-Scale Multi-Unit Housing (RSM)” zone in June of 2024, an update to the Consolidated Fee Bylaw No. 8636 is proposed to:

- Clarify that the fee associated with a rezoning application requesting to rezone a property from one subzone to another in the “Small-Scale Multi-Unit Housing (RSM)” zone is required to pay the same fee as for rezoning from one “Single Detached (RS)” subzone to another;
- Clarify that applications for rear-yard infill development associated with SSMUH, which require a DP, are subject to the same fee as is applied to a DP for a granny flat or coach house;
- Identify a fee applicable to BP plan processing for SSMUH; and
- Identify an applicable unit rate construction value for SSMUH on which to base fees.

Currently, for a Single-Family Dwelling BP, the Plans Processing fee is set at a modest flat rate of \$744.00, originally designed to reflect the economy and scale of the construction involved. The introduction of SSMUH into formerly single-family zones in June 2024, now requires the development of an updated fee schedule, with similar intentions to appropriately address the comparable scale of construction, density and expected permit volumes.

To date, there have been applications on 35 properties for SSMUH development, comprising a total of 96 dwelling units. Four developments have been issued building permits, representing a total of 13 dwelling units.

The proposed fee schedule is an adaptation of the current Single-Family Dwelling fee structure to include SSMUH construction of up to six dwelling units, including secondary suites. The Plans Processing fee will remain a flat rate but will vary according to the number of dwelling units (including secondary suites).

The proposed Plans Processing fee structure retains the modest rate for single-family dwelling unit construction but increases with the number of units to reflect the increasing complexity of reviewing multiple-unit plans.

Table 1: Proposed Plans Processing Fee Structure Reflecting Multiple Dwelling Units (SSMUH)

Number of Dwelling Units	Plans Processing Fee
One	\$744
Two	
Three	\$1,488
Four	
Five	\$2,332
Six	

Adjusting Existing Construction Values to Reflect Current Market Construction Costs*Single Family Dwellings*

Currently, for new single-family dwelling construction only, the City provides a formula within the Consolidated Fee Bylaw No. 8636 to determine the construction value on which the overall permit fee will be based. The formula comprises unit area costs, which are extended over the proposed constructed areas, as shown in Table 2.

Table 2: 2025 Current COR Unit Rate Construction Values in Metric and Imperial Units

Description	Construction Value	Units	Construction Value	Units
(i) New construction of first-storey	\$1,419	per m ²	\$132	per ft ²
(ii) New construction of second-storey	\$1,309	per m ²	\$122	per ft ²
(iii) Garage	\$728	per m ²	\$68	per ft ²
(iv) Decks or porches	\$601	per m ²	\$56	per ft ²
(v) Interior finishings on existing buildings	\$673	per m ²	\$63	per ft ²
(vi) Additions	\$1,419	per m ²	\$132	per ft ²

The cost per square foot to build a house in B.C., particularly in the Lower Mainland, greatly exceeds the current \$132.00/ft² (\$1,419.00/m²) and \$122.00/ft² (\$1,309.00/m²) rates stated in the Building Regulation Bylaw. Industry data show that in B.C., the single-family construction average costs range from \$275.00/ft² to \$450.00/ft² (\$2,152.00/m² to \$4,844/m²), according to research from Winright Law (Vancouver, B.C.) and Cressman Homes of Distinction, which presents the same tabular data on its website (Attachment 1). Local builders consulted report costs of between \$350.00/ft² to \$400.00/ft² (\$3767.00/m² to \$4306.00/m²), for houses with mid-range trim levels.

After reviewing the data and taking a conservative approach, Building Approvals proposes to amend the construction cost table for single-family houses as outlined in Table 3 for new construction of the first and above-grade floors and additions to bring fees into closer alignment with actual building costs and City costs for permit review and inspections.

Table 3: 2025 Proposed COR Unit Rate Construction Values in Metric and Imperial Units

Description	Construction Value	Units	Construction Value	Units
(i) New construction of first floor	\$2,152	per m ²	\$200	per ft ²
(ii) New construction of above-grade floors	\$2,152	per m ²	\$200	per ft ²
(iii) Detached Garage	\$1,099	per m ²	\$102	per ft ²
(iv) Decks or porches	\$908	per m ²	\$84	per ft ²
(v) Interior finishings on existing buildings	\$1,016	per m ²	\$94	per ft ²
(vi) Additions	\$2,152	per m ²	\$200	per ft ²

At \$200.00/ft² (\$2,152.00/m²) for overall construction, the increases represent a 52 per cent and 64 per cent rise over the current stipulated construction costs assigned to the first and second floors, respectively, but result in permit fees becoming aligned with those charged in similarly sized municipalities in the region. The proposed new unit construction costs for typical renovation elements - such as detached garages, decks or porches and interior finishings - represent a 52 per cent increase over the current stipulated unit rates established after consultation with local builders.

SSMUH Construction

Staff propose to introduce a unit construction cost rate, similar to single-family dwellings, for SSMUH permits. Table 4, below, is proposed to be incorporated into Consolidated Fee Bylaw No. 8636 and would be used to determine the construction value for SSMUH construction. These derived construction values will be used to calculate the permit fees as per Attachment 2.

Table 4: 2025 Proposed SSMUH Unit Rate Construction Value in Metric and Imperial Units

Description	Construction Value	Units	Construction Value	Units
(i) New construction of first floor	\$2,960	per m ²	\$275	per ft ²
(ii) New construction of above-grade floors	\$2,960	per m ²	\$275	per ft ²
(iii) Detached Garage	\$1,099	per m ²	\$102	per ft ²
(iv) Decks or porches	\$908	per m ²	\$84	per ft ²
(v) Interior finishings on existing buildings	\$1,016	per m ²	\$94	per ft ²
(vi) Additions	\$2,960	per m ²	\$275	per ft ²

The SSMUH fee schedule, based on the same structure as single-family dwellings, has a higher stipulated construction cost of \$275.00/ft² (\$2,960.00/m²) and is approximately 38 per cent higher than the rate proposed for single-family construction. The proposed SSMUH rates reflect the greater cost of this building type over single-family dwellings, the inherently more complex review for permit and the greater number of inspections during construction. Local builders consulted report costs of between \$400.00/ft² to \$450.00/ft² (\$4,306.00/m² to \$4,844.00/m²), for more complex SSMUH construction.

Administrative Amendments

Land Use Contract Amendment Applications

Staff also propose to remove references in the City's Development Applications Fee Bylaw and Consolidated Fee Bylaw to LUC amendment applications, as this application type is no longer applicable. All LUCs expired on June 30, 2024.

External Legal Fees associated with Development Applications

The City has a long-standing practice where applicants pay the external legal fees incurred by the City for the preparation and review of legal agreements associated with development, where the use of external legal services by the City is prudent (given the scale and complexity of the development) and/or where requested by the applicant. Where the applicant agrees, they sign a letter agreeing to pay the actual cost of those fees on behalf of the City. This is a practice used by many municipalities and was introduced by the City to provide developers with greater ability to control their approval timelines and help manage more complex and time-consuming applications. Staff recommend codifying this practice by indicating that these fees are applicable and required to be paid by the applicant, and are the actual costs charged to the City by the City's external legal counsel. In making this amendment, staff can more effectively enforce payment where invoices are not paid by the developer on time.

Financial Impact

Staff have chosen to establish BP fees for SSMUH and single-family houses based on an increased stipulated cost of construction that is less than the actual cost. This serves to bring the City's fees into alignment with other similar sized municipalities, improves cost recovery for provided services, while acknowledging that scaling City fees in lockstep to the rapid rise in construction costs may cause undue hardship.

Conclusion

Staff recommend an update to the BP fee structure to make it appropriate for SSMUH construction, reflecting the house-like nature of the construction and being accurate with respect to current construction costs. The current stipulated construction cost values lead to artificially lower fees that will not cover the increased efforts required to review multi-family construction.

Staff recommend that Development Applications Fee Bylaw No. 8951, Amendment Bylaw No. 10674, Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 10675 be introduced and given first, second and third readings.



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Kathryn McCreary
Manager, Plan Review
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EL/KM:js

- Att. 1: Summary of British Columbia proposed unit rate construction values
2: Building Permit Fee calculation based on the 2025 Consolidated Fee Bylaw

Building Approvals: Estimated Cost per Square Foot for a 2,100 Square Foot Home in B.C.

Municipality	Estimated Cost Per Square Foot	Estimated Total Build Cost on 2100 ft.²
Vancouver	\$350 - \$450	\$735,000 - \$945,000
Kelowna	\$325 - \$425	\$682,500 - \$892,500
Surrey	\$325 - \$400	\$682,500 - \$840,000
Chilliwack	\$275 - \$350	\$577,500 - \$735,000
Kamloops	\$275 - \$350	\$577,500 - \$735,000
Naniamo & Victoria	\$275 - \$350	\$577,500 - \$735,000

Table from Winright Law (Vancouver, B.C.) and Cressman Homes of Distinction

Building Permit Fee Calculation Based on the 2025 Consolidated Fee Bylaw

A section from the City of Richmond 2025 Consolidated Fees Bylaw No. 8636

(used when registered professionals are involved in a residential building, which is the case for single-family and SSMUH applications)

Excerpt from Building Regulation Bylaw No. 7320

Building Regulation Bylaw No. 7230

Building Permit Fees for those buildings referred to in Subsection 5.13.6

Sections 5.2, 5.5, 5.6, 7.2

Description	Fee
Nil to \$1,000.00 (minimum fee)	\$96.25
Exceeding \$1,000.00 up to \$100,000.00	\$96.25
*per \$1,000.00 of construction value or fraction *Plus	\$15.75
of construction exceeding \$1,000.00	
Exceeding \$100,000.00 to \$300,000.00	\$1,655.50
**per \$1,000.00 of construction value or fraction **Plus	\$13.50
of construction exceeding \$100,000.00	
Exceeding \$300,000.00	\$4,355.50
***per \$1,000.00 of construction value or fraction ***Plus	\$10.50
of construction exceeding \$300,000.00	

Note: The building permit fee is doubled where construction commenced before the building inspector issued a building permit.

Sample Calculation for Building Fees for a SSMUH Building Permit (for illustration purposes)

consisting of two dwelling units, one with a secondary suite unit (three dwelling units total)

Floor Area = 3,000 ft.²

Construction value rate = \$275/ft.² (including attached garage)

Construction value = 3,000 ft.² * \$275/ft.² = \$825,000

For a Building Permit Calculation - Exceeding \$300,000

= (\$825,000 - \$300,000)/\$1,000*\$10.50

= \$5,512.50 (fee for construction value exceeding \$300,000)

Plus \$4,355.50 (base fee for construction value exceeding \$300,000)

= \$9,868 (total Building Permit fee including Plans Processing Fee)

A Plans Processing Fee of \$1,488 would be taken as a non-refundable deposit at the complete application stage, in accordance with the new Plans Processing Fees proposed. The balance of \$8,380 would be charged to the applicant at issuance of the Building Permit.



**Development Applications Fee Bylaw No. 8951
Amendment Bylaw 10674**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Development Applications Fee Bylaw No. 8951, as amended, is further amended to replace Section 1.4.2 with the following:

“1.4.2 Every **applicant** for a **Development Permit** for a **coach house, granny flat, or Small-Scale Multi-Unit Housing** must pay the applicable fee specified in the Consolidated Fees Bylaw No. 8636.”.

2. Development Applications Fee Bylaw No. 8951, as amended, is further amended by deleting section 1.7 and subsection 1.7.1 and replacing them with the following:

“1.7 Intentionally Deleted”.

3. Development Applications Bylaw No. 8951, as amended, is further amended by adding the following as a new Section 1.16.12:

“1.16.12 Where the **City** retains external legal counsel in relation to an application that is subject to this bylaw, and the preparation and negotiation of the related legal documents, the **applicant** must pay the applicable fee specified in the Consolidated Fees Bylaw No. 8636.”.

4. Development Applications Bylaw No. 8951, as amended, is further amended by adding the following definition to Section 2 in alphabetical order:

“SMALL-SCALE MULTI-UNIT HOUSING means “small-scale multi-unit housing” as defined in the **Zoning Bylaw**.”.

5. This Bylaw may be cited as **“Development Applications Fee Bylaw No. 8951, Amendment Bylaw 10674”**.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED by 
APPROVED by Director or Solicitor 

MAYOR

CORPORATE OFFICER



**Consolidated Fees Bylaw No. 8636
Amendment Bylaw 10675**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Consolidated Fee Bylaw No. 8636 as amended, is further amended at the “SCHEDULE – DEVELOPMENT APPLICATIONS FEES” by:

- (a) at the Zoning Amendments No. 8951 table deleting the row for Section 1.2.1(b) and replacing it with the following:

Section 1.2.1 (b)	Zoning Bylaw Designation Amendment for Single Detached (RS) or Small-Scale Multi-Unit Housing (RSM)		
	No lot size policy applicable	\$2,638.00	Not Applicable
	Requiring a new or amended lot size policy	\$3,293.00	Not Applicable
	*plus all associated public notification costs		

- (b) at the Development Permits No. 8951 table deleting the row for Section 1.4.2 and replacing it with the following:

Section 1.4.2	Development Permit for Coach House, Granny Flat or Small-Scale Multi-Unit Housing	\$1,268.00	Not Applicable
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- (c) deleting the Land Use Contract Amendments No. 8951 title and deleting the rows for Section 1.7.1;

- (d) at the Administrative Fees No. 8951 table adding the following rows to the end of the table:

Section 1.16.12	City’s external legal fees and disbursements	Actual cost	Not Applicable
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2. Consolidated Fee Bylaw No. 8636 as amended, is further amended at the “SCHEDULE – BUILDING REGULATION” by:

- (a) at the Building Regulation Bylaw No. 7230 – Plan Processing Fees – Section 5.4, by deleting the table and replacing it with the following:

Description	Fee
For one dwelling unit	\$744.00
For two dwelling units	\$744.00
For three dwelling units	\$1,488.00
For four dwelling units	\$1,488.00
For five dwelling units	\$2,332.00
For six dwelling units	\$2,332.00
For other than one through six dwelling units	<i>greater of: (a) \$83.75; or (b) 50% to the nearest dollar of the estimated building permit fee specified in the applicable Building Permit Fees in Subsection 5.13.6 and other Building Types to a maximum of \$10,000.00</i>
For a sewage holding tank	\$176.00

Note: the dwelling unit count for the purpose of this fee includes secondary suites. For example, a one-family dwelling with a secondary suite is two dwelling units.

- (b) at Building Regulation Bylaw No. 7230 – Building Permit Fees for all other Building Types – Sections 5.5, 5.9, 5.11, 5.14, 7.2, 11.1, 12.7, 12.9, 12.10, by deleting the paragraph starting with “Despite any other provision” and the table below it and replacing them with the following:

“Despite any other provision of the Building Regulation Bylaw No. 7230, the “construction value” of:

- (a) one dwelling unit, two dwelling units, three dwelling units, four dwelling units, five dwelling units, or six dwelling units; and
- (b) a garage, deck, porch, interior finishing or addition to one dwelling unit, two dwelling units, three dwelling units, four dwelling units, five dwelling units, or six dwelling units,

is assessed by total floor area and deemed to be the following:

Description	Construction Value – Single Family or One-Family Dwelling*	Construction Value – Other**	Units
(i) new construction of first storey	\$2,152.00	\$2,960.00	per m ²
(ii) new construction of second storey	\$2,152.00	\$2,960.00	per m ²
(iii) detached garage	\$1,099.00	\$1,099.00	per m ²
(iv) decks or porches	\$908.00	\$908.00	per m ²
(v) interior finishing on existing buildings	\$1,016.00	\$1,016.00	per m ²
(vi) additions	\$2,152.00	\$2,962.00	per m ²

**Note: this fee applies to any construction related to single family construction or a one-family dwelling including a secondary suite.*

***Note: This fee applies to any construction up to 6 dwelling units, but excludes a single family or one-family dwelling that includes a secondary suite. The dwelling unit count for the purpose of this fee includes secondary suites. For example, a duplex each with a secondary suite is four dwelling unit.”.*

3. This Bylaw may be cited as **“Richmond Consolidated Fees Bylaw No 8636, Amendment Bylaw 10675”**.



FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED by 
APPROVED by Director or Solicitor 

MAYOR

CORPORATE OFFICER