



Committee of the Whole Report

Report Number: BLDG2024-001
Meeting Date: November 5, 2024
Title: **Building By-law Replacement By-law 2024**
Description: A By-law to repeal and replace Building By-law 2021-161
Author and Title: Susanne Murchison, Chief Building Official

Recommendation(s):

That Report BLDG2024-001, **Building By-law Replacement By-law 2024**, be received;

That a By-Law to Repeal and Replace By-Law 2021-161, being the By-Law to Provide for the Administration and Enforcement of the Building Code Act, 1992, within the City of Kawartha Lakes, as outlined in Appendix A to Report BLDG2024-001, be substantially approved;

That the necessary By-Law be brought forward to Council for adoption; and,

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

The existing Building By-law 2021-161 was enacted just prior to the increased development activity currently experienced across the City of Kawartha Lakes. This increased development activity which is now being realized at the building permit stage, has been prompting innovation to adapt to the higher permit application volumes. These process changes require amendments to the current by-law and fee schedules.

The fee schedule of the existing by-law was established with a five year indexed set of tables that will expire at the end of 2026, and it is appropriate to extend the tables at this time while the by-law is before Council to introduce a new fee category relating to subdivision repeat model applications.

The Building Code Act reads as follows with respect to a change in fees:

“7 (6) If a principal authority proposes to change any fee imposed under clause (1) (c), the principal authority shall,
(a) give notice of the proposed changes in fees to such persons as may be prescribed; and
(b) hold a public meeting concerning the proposed changes. 2002, c. 9, s. 11 (2); 2006, c. 22, s. 112 (6)”.

This report addresses a replacement by-law.

Rationale:

The existing fee tables, introduced in 2022, allow for building permit revenue to sustain the operating costs of the Building and Septic Division following a full cost recovery model. The fee tables introduced in 2022 incorporate planned annual contributions to the Building and Septic Division reserve account, which is intended to supplement the operating costs of the Division in years of economic downturn, allowing the City to maintain their qualified staff complement rather than impose lay-offs initially. It was estimated in 2021 that the proposed development activity applied to the 2022-2026 five-year fee tables would result in rebuilding the deficient reserve account over that period. Due to multiple factors, such as 2024 activity slowing somewhat and increases to wages in the operating budget, it is predicted to take a few more years to reach the reserve account cap, which was proposed at the equivalent to two years' total salaries.

The Building Reserve account is currently at approximately 70% of the proposed cap, based on 2025 proposed salaries. Taking into account the annual increases to salaries over the next three years, coupled with proposed additions to the staff complement to address development activity, it is projected that the reserve account will not reach its cap by end of 2026 and therefore the draft by-law includes extended fee tables at the current indexed rates. When the reserve account reaches the cap, staff will return to Council with revised fee tables outlining rates reflective of full cost recovery minus contributions to the reserve account.

Staffing Changes

Since the current by-law was enacted in 2022, the Building and Septic Division has added staff positions and is proposing additional positions through the 2025 budget process, to accommodate increased development activity. Two (2) Building and Zoning Clerk positions were created in 2022, shifting front-end processing duties away from the inspectors' daily workload. This shift served two purposes, 1. To address the difficulties in recruiting qualified inspectors and allow the existing complement of inspectors to better manage the issuance and inspection workload with a smaller team, and 2. To provide an entry-level position for under-qualified candidates who may aspire to become a building inspector and fill a future vacancy.

The additional staff positions relating to this current proposed fee schedule include the following:

- 2022 addition of three Building and Zoning Intake Clerks, one as a net additional position to address development activity levels and the other two re-classifications of vacant inspector positions;
- 2024 addition of a Building Inspector, to address negative success in recruitment of temporary qualified inspectors, and future development activity levels - will not be fully recognized until July 2025 upon return of employee on parental leave;
- 2025 proposed addition of a Building and Zoning Intake Clerk; and
- 2025 proposed addition of a Building Inspector.

Proposed Fee Schedule Changes

- Extension of the current Schedule A Tables 3 and 4 for an additional three years through to end of 2029;

- Aligning the minimum fee for administrative fees in Schedule A Tables 1 and 2 to the minimum fee from Schedule A Table 3 for consistency;
- Raising the upper cap on administration fees for conditional and partial permits and major revision to plans;
- Relocating the administrative fee for site visits to determine occupant loads and adding a new fee for site inspections to locate sewage systems, and grouping along with liquor license approval fee, as they are very similar in nature and right-size the fee to the cost of the service;
- Revising language for records archiving fee to read as a scanning fee to be used for hardcopy submissions once e-permitting is brought on-line;
- New administrative fee to cover the cost of registering building code orders on title and the eventual removal from title, which is the trigger for the fee to be charged;
- New fee category for Pre-Approved Model (PAM) approvals;
- Further clarification of the fee categories relating to ARU fees, minor language clarification on the table, no change to the fee amount;
- Removal of the wording “per roof face” where it relates to roof mounted solar;
- Addition of wording to capture annual renewal fee for temporary holding tanks.

Proposed Changes to the By-law

- 2.07 and 3.09 - Introduction of the Pre-Approved Model (PAM) approval process and related requirements;
- 3.012 – addition of PAM language;
- 3.016 – addition of a clause to address dormant applications where payment has not been received after six months;
- 4.03 – introduction of language to address electronic format submissions;
- 6.04 – introduction of a mandatory minimum fee to accompany every application as a deposit towards future invoiced fees, in preparation for e-permitting;
- 6.08 – removal of “revoked”, as this is addressed in 6.011;
- 6.08 (b) and (c) – addition of language to clarify refunds relating to sewage system permit applications; and
- 6.011 (f) – introduction of a sunset clause to refund requests.

Proposed Housekeeping Changes

- Various renumbering of sentences in Sections 2 and 3, 4.01 to accommodate the inclusion of the PAM process;
- 6.08 and 6.011 (e) - changing "applicant" to "owner" for consistency and clarity;
- 6.011 (e) - changing "and" to "or" to correct the intent of the statements;
- Schedule B Table 1
 - 1(a) – addition of ARU language, updating document e. from "form" to "approval", and updating drawing a. to read Lot Grading & Drainage Plan to match the by-law wording, and add superscript 5;
 - 1(b) – addition of ARU language, addition of document b. Mechanical Ventilation Design Summary, and updating document e. from "form" to "approval";
 - 1(c) – introduction of new row relating to PAM;
 - 2(a) and 2(b) – updating document d. from "form" to "approval";
 - 4, 5 and 6 – addition of superscript 2 on Drawings heading in column three;
 - Notes below table have been updated to address both hard copy and electronic submissions;
- Schedule B Table 2
 - 1(c) – new column for PAM;
 - 1(b) – update to row 5. (f) and (g) to indicate required information;

The draft by-law, with proposed six-year fee tables, is attached as Appendix A with all changes highlighted for ease of reference. Existing Building By-law 2021-161 is also attached as Appendix B for comparison purposes.

Other Alternatives Considered:

An option for Council would be to leave the existing by-law in force until the lifespan of the current fee schedule expires at the end of 2026. This option potentially affects the cost of building permits for PAM approvals, as they would be charged the current rate for a full dwelling build in absence of an explicit fee, as well as continuing to shift the cost of registration of building code orders on title to be borne by the general tax base.

Alignment to Strategic Priorities

Healthy Environment – goal 2, Protect and preserve natural areas including greenspaces, waterways, parks, trails and farmlands – the Building By-law and related processes contributes to the protection of source water through the mandatory sewage system inspection program, ensuring we protect our drinking water sources and protect our lakes.

An Exceptional Quality of Life – goal 1, Increase affordable and attainable housing – the proposed changes to include the PAM approval process will streamline the approval process for residential subdivision development, decreasing the time for processing housing permits.

A Vibrant and Growing Economy – goal 2, Encourage sustainable growth and development – maintaining a current by-law format and introducing language to address the PAM approval process will contribute to the streamlining of the development approvals process.

Good Government – goal 1 – Provide innovative and efficient service delivery for better customer experiences – introduction of the PAM approval process introduces the first stage of digital permitting options; goal 2 – Provide accountable government and responsible management of resources – ensuring the Building and Septic Division fee structure runs as a full cost recovery model, ensures transparency and sustainable service delivery, and the addition of the PAM approval process contributes to streamlining processes.

Financial/Operation Impacts:

This report has a positive impact on the operating budget of the Building and Septic Division, in that it is based on a cost recovery model. Maintaining fee rates that reflect the necessary revenue to maintain the operating budget without drawing from the general tax base ensures that development pays for development. Additionally, incorporating a fee schedule that includes an additional contingency amount in each fee for the rebuilding of the Building and Septic Division reserve fund will allow the Division to weather economic downturns without the necessity for staff lay-offs, which in turn aids with staff retention.

Attachments:

Appendix A – Proposed Building By-law with changes highlighted



2021-161_2024
changes highlightec

Appendix B – Current Building By-law for reference



2021-161 Provide
for the Administratic

Department Head e-mail: lbarrie@kawarthalakes.ca

Department Head: Leah Barrie, Director Development Services