

Report to Council

Report Title: Building Permit Fee Increase.docx

Prepared By: Terry Tuck, Chief Building Official

Department: Building

Date: November 12, 2019

Report Number: BLDG2019-04 **File Number:** C11BU, P10

Attachments: Building Permit Summary Report January-October 2019
2019 Building Permit Fee Comparison Chart

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number BLDG2019-04 – Building Permit Fee Increase/Building Permit Status Report, prepared by Terry Tuck, Chief Building Official and in doing so approves the increase to building permit fees effective January 1, 2020.

Report:

Background:

Building permit fees are required to cover the daily operation of the building department, and allow for a reserve fund to be established, designed to supplement building departments during a down turn in the economy. Building permit fees can only be used to run building department expenses such as, but not limited to, wages for Building Officials, vehicles, fuel, training, insurance, and court costs. These fees cannot be used to support other duties that a Building Departments might be tasked with, such as property standards inspection, zoning responses, by-laws, signs, (unless the sign is required to have a building permit) or septic re-inspection programs.

My department has three (3) budgets: building, planning, and property standards/septic-re-inspection, so that building expenses can be separated from the other two department budgets.

The Municipality of Brockton last increased our building permit fees in 2011 as per By-Law 2011-15.

Prior to changing/increasing permit fees municipalities are required by Section 7(6) of the *Building Code Act, 1992, S.O. 1992, c. 23* to:

- 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.

Due to the retirement of the Chief Building Official, and the hiring of a Building Inspector, training expenses in the coming years will increase dramatically. In 2020, the Ontario Building Code will undergo 1,400 amendments, and harmonization with the National Building Code is also expected later in the year.

The Ministry of Housing is also proposing to create a new administrative authority non-profit corporation. This administrative authority will receive funding by charging a levy on top of building permit fees and charges for services, these services are as yet unknown. This will likely result in additional charges for services mandated by the administrative authority for services that may not be required for Brockton.

These changes to the Ontario Building Code require that Building Officials take as many course as possible in a given calendar year. While myself, and our new Chief Building Official, Ray Holliday, are both fully qualified and educated, due to the new code amendments and harmonization with the National Code, our Building Department must continue to train. Without this training, municipalities are risking liability when issuing permits or conducting inspections.

Analysis:

Building permit fees help to offset the cost of running a Building Department and ensure that staff are sufficiently trained.

Staff have compiled a Building Permit Summary Report of six month construction values for the years 2017, 2018 and 2019 to the end of October 31, 2019. This Summary Report has been attached for Council's information. A comparison chart of 2019 building permit fees from neighbouring municipalities has also been attached to this report for Council's information.

Sustainability Checklist:

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

- | | |
|---|-----|
| • Do the recommendations help move the Municipality closer to its Vision? | Yes |
| • Do the recommendations contribute to achieving Cultural Vibrancy? | Yes |
| • Do the recommendations contribute to achieving Economic Prosperity? | Yes |
| • Do the recommendations contribute to Environmental Integrity? | Yes |
| • Do the recommendations contribute to the Social Equity? | Yes |

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

The permit fee increase will offset the training line in Building Budget which will go up dramatically in the coming years, and hopefully allow a small percent of the permit revenue to go into the reserve fund.

Reviewed By:

A handwritten signature in black ink, appearing to be 'Trish Serratore', with a stylized, cursive script.

Trish Serratore, Chief Financial Officer

Respectfully Submitted by:

A handwritten signature in black ink, appearing to be 'T. D. Tuck', with a stylized, cursive script.

Terry Tuck, Chief Building Official

Reviewed By:

A handwritten signature in black ink, appearing to be 'Sonya Watson', with a stylized, cursive script.

Sonya Watson, Chief Administrative Officer