



STAFF REPORT
Building Standards

Title: Building Standards - 2018 Fees and Charges
Report Number: IPPW2018-043
Author: Ralph Kaminski
Meeting Type: Finance & Strategic Planning Committee Meeting
Council/Committee: June 18, 2018
Date: File: N/A
Attachments: Appendix A - Building Standards Fees and Charges
Ward No.: City Wide

Recommendation:

1. That Council approve IPPW2018-043.
2. That Council approves the Building Standard Fees and Charges By-law updates, attached as Appendix A to IPPW2018-043, effective as the dates noted, and that the Fees and Charges By-law is updated accordingly.

A. Executive Summary

Building Standards finds its 2018 staff complement in harmony with the anticipated workload. With the large amount of funds available in the Building Permit Reserve Fund, it is recommended that the operating budget be augmented by the Reserve Fund rather than adjusting the current Fees. The Reserve fund was established for this precise reason.

The Building Standards' operating budget is \$3.03 million for 2018 and includes a budgeted draw of \$447,834 from the Reserve.

B. Financial Implications

In 2018 construction activity has stabilized, more reflective of the early 2000's, resulting in the need to draw additional funds from the Reserve than originally budgeted. This trend is anticipated to continue through into 2019.

The projected 2018 ending Building Permit Reserve Fund balance is \$8,847,008, with additional deferred revenue holdings of \$1,923,870.

C. Technology Implications

n/a

D. Legal Considerations

n/a

E. Link to Strategic Plan

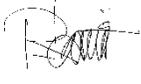
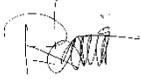
(Strategic Priorities: Multi-modal Transportation, Infrastructure Renewal, Strong Community, Environmental Leadership, Corporate Excellence, Economic Development)

Supporting Corporate Excellence, Building Standards ensures the administration of the Building Code Act and Regulations while holding the permit fees virtually unchanged from last year.

F. Previous Reports on this Topic

IPPW2017-074; IPPW2015-111; Building Standards – 2016 Fees and Charges

G. Approvals

Name	Signature	Date
Author: Ralph Kaminski		May 30,2018
Director: Ralph Kaminski		May 30, 2018
Commissioner: Cameron Rapp		
Finance: Keshwer Patel		

CAO



Building Standards - 2018 Fees and Charges IPPW2018-043

Background:

The City of Waterloo last increased its building permit fees in 2003 and has one of the lowest fees for obtaining a Building Permit in a large municipality. The City has been very fortunate over the past decade to have issued a disproportionate number of large permit types that quite often generate surplus revenue – that is the fee collections for a given project exceed the cost. Building Permit fees can be grouped into three categories: those having the fee exceed the cost; those having the fee not covering the cost; and, then those that are revenue neutral. This is typical of how municipal building divisions operate in Ontario. The Act requires that fees be based on the total anticipated costs to deliver the service over a given period of time – normally one calendar year, but stabilized over a longer period of time (e.g. 6 years) via a reserve account to smooth the cyclical trends of construction.

Waterloo appears to be at the tail end of this growth in construction activity. We anticipate a more normal and consistent activity level, more reflective of the early 2000s. With this in mind, we are sufficiently staffed for the anticipated workload.

Accepting that our current approved staff complement has the capacity to manage the anticipated workload and that there is sufficient funding in the reserve account to address the shortfall over the next year, staff has determined that there is no immediate need to increase our fees, even though our anticipated budget will not cover the anticipated expenses.

Service Level and Staffing:

The chief building official is responsible for the enforcement of the Act and Council is responsible to appoint a chief building official and such inspectors as necessary for the enforcement of the Act. The inspectors must be qualified, as defined in the Building Code regulation, to review the plans and construction. Decisions on the issuance must be made within specified time frames, and inspections must be conducted at prescribed stages of construction. These inspections must be carried out with a prescribed time – normally 2 business days.

The chief building official is of the opinion that the currently approved staffing complement is sufficient with qualified staff to carry out the duties based on the anticipated workload. It should be noted that the cost for delivering the municipal building service continues to rise higher than in the past. This is due primarily to the expanding scope of construction being regulated through the Building Code and the efficiency of experienced staff lost through their retirement.

Staff will still be exercising judgment on the execution of their duties as we adjust to the peaks and valleys of the construction cycles. Some permits may be issued in the 11th hour, some needing overtime, and some inspections shortened for our builders so that sufficient time may be given to those that require additional attention.

Seeking out illegal building and building prior to permit issuance will continue on a complaint or as observed basis only.

Summary

Building Standards will not increase the permit fees in 2018. The division will rely on the reserve fund to balance the 2018 operating projected deficit and potentially in 2019 as well.

Appendix A:

IPPW - Building Standards
Schedule "A" to Fees and Charges By-Law

Sale of Maps, Drawing and Reports	Fee	Effective Date of Fee	Fee	Effective Date of Fee
Building Statistics – year *	\$53.10	1-Jan-2018	\$53.10	1-Jan-2019
Letters of Compliance	\$44.25	1-Jan-2018	\$44.25	1-Jan-2019
Letters of Compliance - "rush" premium	\$75.22	1-Jan-2018	\$75.22	1-Jan-2019

Schedule "C" to Fees and Charges By-Law
Fees and Charges Under the Building Code Act

Construction Classification (including new buildings, additions, mezzanines)

	Fee	Effective Date of Fee	Fee	Effective Date of Fee
Group A				
Assembly Buildings (finished) (per square foot)	\$1.60	1-Jan-2018	\$1.60	1-Jan-2019
Assembly Buildings (shell) (per square foot)	\$1.40	1-Jan-2018	\$1.40	1-Jan-2019
Outdoor Patio (flat fee)	\$125.00	1-Jan-2018	\$125.00	1-Jan-2019
Outdoor Public Pool (flat fee)	\$550.00	1-Jan-2018	\$550.00	1-Jan-2019
Group B				
Institutional (shell) (per square foot)	\$1.50	1-Jan-2018	\$1.50	1-Jan-2019
Group C: Residential				
Single Family Detached, Semi-detached, Townhouse, Duplex (per square foot)	\$0.80	1-Jan-2018	\$0.80	1-Jan-2019
Garage / Carport (per bay)	\$75.00	1-Jan-2018	\$75.00	1-Jan-2019
Shed (flat fee)	\$75.00	1-Jan-2018	\$75.00	1-Jan-2019
Deck (flat fee)	\$75.00	1-Jan-2018	\$75.00	1-Jan-2019
Pool/Hot tub	n/a	1-Jan-2018	n/a	1-Jan-2019
Apartment Building (per square foot)	\$0.80	1-Jan-2018	\$0.80	1-Jan-2019
Hotels/Motels (per square foot)	\$1.35	1-Jan-2018	\$1.35	1-Jan-2019
Residential Care Facility (per square foot)	\$0.95	1-Jan-2018	\$0.95	1-Jan-2019
Residential Renovation (per square foot)	\$0.35	1-Jan-2018	\$0.35	1-Jan-2019
Finished Basement (including renovation)	\$200.00	1-Jan-2018	\$200.00	1-Jan-2019
Group D: Business and Personal Services				
Office Buildings (shell) (per square foot)	\$1.15	1-Jan-2018	\$1.15	1-Jan-2019

Office Buildings (finished) (per square foot)	\$1.35	1-Jan-2018	\$1.35	1-Jan-2019
Group E: Mercantile (restaurant < 30 people)				
Retail Stores (shell) (per square foot)	\$0.75	1-Jan-2018	\$0.75	1-Jan-2019
Retail Stores (finished) (per square foot)	\$0.95	1-Jan-2018	\$0.95	1-Jan-2019
Group F: Industrial				
Warehouse, factories (shell) (per square foot)	\$0.45	1-Jan-2018	\$0.45	1-Jan-2019
Warehouse, factories (finished) (per square foot)	\$0.55	1-Jan-2018	\$0.55	1-Jan-2019
Parking Garage (per square foot)	\$0.50	1-Jan-2018	\$0.50	1-Jan-2019
Farm Building (per square foot)	\$0.25	1-Jan-2018	\$0.25	1-Jan-2019
Foundation only (per square foot)	\$0.05	1-Jan-2018	\$0.05	1-Jan-2019
Conditional Permit (Letter of Credit or certified cheque also required)				
-Fee (plus additional square foot charge below)	\$300.00	1-Jan-2018	\$300.00	1-Jan-2019
-Additional per square foot	\$0.05	1-Jan-2018	\$0.05	1-Jan-2019

BUILDING PERMIT FEES (CONTINUED)

Interior Finishes (to previously unfinished area including finishing of residential basements and major renovations)

	Fee	Effective Date of Fee	Fee	Effective Date of Fee
All Classifications (per square foot)	\$0.25	1-Jan-2018	\$0.25	1-Jan-2019

Alterations / Renovations (to existing finished areas, new roof structures)

Special Categories

Alternative Solutions	\$500.00	1-Jan-2018	\$500.00	1-Jan-2019
Special Permit I: Construction Commenced Prior to the Issuance of a Building Permit (per square foot total building area)	See Note 2	1-Jan-2018	See Note 2	1-Jan-2019
Special Permit II: After the Fact Accessory Building Permit (including decks, sheds and any other accessory building) (flat fee)	\$200.00	1-Jan-2018	\$200.00	1-Jan-2019
Single partitions, dimising wall, washrooms, new entry (flat fee)				
Minor Alterations (including beam installation, basement walkout stairs,	\$75.00	1-Jan-2018	\$75.00	1-Jan-2019

etc.)				
Air Supported Structures (per square foot)	\$0.30	1-Jan-2018	\$0.30	1-Jan-2019
Temporary Tents (flat fee)	\$125.00	1-Jan-2018	\$125.00	1-Jan-2019
Portables/per site (excludes port-a-pak) (flat fee)	\$100.00	1-Jan-2018	\$100.00	1-Jan-2019
Demolition (> 20,000sf) (per sf)	\$0.01	1-Jan-2018	\$0.01	1-Jan-2019
Demolition (< 10,000 sf) (flat fee)	\$75.00	1-Jan-2018	\$75.00	1-Jan-2019
Demolition (10,000 - 20,000sf) (flat fee)	\$200.00	1-Jan-2018	\$200.00	1-Jan-2019
Interior Demolition (back to shell)	\$10 per \$1,000 of construction cost	1-Jan-2018	\$10 per \$1,000 of construction cost	1-Jan-2019
Balcony Guard (replace per linear foot)				
Ceiling (new or replace per square foot)				
Reclad Wall (per square foot)				
All Designated Structures (except retaining walls, public pools) (flat fee)				

Mechanical Work (work independent of a building permit):	\$10 per \$1,000 of construction cost	1-Jan-2018	\$10 per \$1,000 of construction cost	1-Jan-2019
Sprinkler System (N.F.P.A. 13) (per square feet)		1-Jan-2018		1-Jan-2019
Commercial Kitchen, Spray Booth, Dust Collectors (flat fee)		1-Jan-2018		1-Jan-2019
Electromagnetic Locks (each) and Hold Open Devices (each)				

Plumbing Work: (work independent of a building permit, including adding, removing or relocating plumbing fixtures)	\$10 per \$1,000 of construction cost	1-Jan-2018	\$10 per \$1,000 of construction cost	1-Jan-2019
Water Softener (flat fee)		1-Jan-2018		1-Jan-2019
Catchbasins/Manholes/Roofdrains (each)		1-Jan-2018		1-Jan-2019
Building/Site Services (per linear foot)		1-Jan-2018		1-Jan-2019
Septic Systems - New (flat rate)	\$400.00	1-Jan-2018	\$400.00	1-Jan-2019
Septic Systems - Repair (flat rate)	\$125.00	1-Jan-2018	\$125.00	1-Jan-2019
Site Services	\$75.00	1-Jan-2018	\$75.00	1-Jan-2019

Notes:

1. Special Permits I - where construction has commenced prior to the issuance of a Permit, the permit fee shall be doubled. Where this amount exceeds \$5,000, the penalty shall incrementally decrease from 100% of original permit fee to 15% of original permit fee. The incremental decrease shall apply where the original permit fee amount is between \$5,000 and \$67,000. Fees over \$67,000 shall pay 15%.
2. Shell permits include mechanical and electrical rough-ins.
3. Foundation permits limit work to Footings and Foundation walls and the installation of underground sewers to property line.
4. Application for use of equivalents in connection to a permit application shall be charged an additional fee of \$500.
5. Where an Occupancy Permit is required to be issued by the Ontario Building Code, the original permit fee shall include the Occupancy Permit. An additional fee of \$50 shall be paid where an additional copy of the Occupancy Permit is requested.
6. For an affordable housing development, as described in the Building By-law, Council shall determine the fee.

REVISION TO EXAMINED PLANS:

A fee which is the greater of \$0.01 per square foot of the floor area or \$150 shall be charged for examination of revised plans.

MINIMUM FEE:

A minimum fee of \$75.00 shall be charged for any permit application.

Additional Inspections: A fee of \$150 may be charged for additional inspections resulting from the inspection not being ready for a second inspection attempt.