

DATE: April 9, 2024

REPORT NO: PD-21-2024

SUBJECT: **Recommendation Report - Amendment to the Building By-law 2019-83 Regarding Building Deposits and Fees**

CONTACT: John Bartol, Chief Building Official
Brian Treble, Director of Planning & Building

OVERVIEW:

- A substantial amount of open building permits (in excess of 150) dating prior to 2016 have been noted by both the Building and Finance Departments. Each one of these open building permits has an associated deposit with them.
- This report is written to recommend further amendments to by-law 2019-83 (Building By-law) to support the Township Finance Department and the Building Department. This amendment will allow authorized staff and department heads to authorize the reclamation and forfeiture of Building Permit Deposits that are older than seven (7) years based on criteria outlined in the By-law. Through this process the building permit(s) on lands subject to forfeiture will remain open and in their current state of review, however, the deposits will be forfeited and brought into revenue. Any revenue in excess of expenditure will be transferred into the Building Reserve.
- This amendment is prepared in conjunction with discussions through Chief Building Officials of Niagara. This amendment will permit the Township of West Lincoln to act in similar means to that of our surrounding municipalities Lincoln and Port Colborne. These forfeited deposits will ensure proper support of the building department through the “follow-up” process that will be required to ensure each of these building permits is accurately and appropriately handled in accordance with the Ontario Building Code and Building Code Act.

RECOMMENDATION:

1. That, Recommendation Report PD-21-2024, titled “Recommendation Report – Amendment to the Building By-law 2019-83 Regarding Building Deposits and Fees.”, dated April 9th 2024, be received; and
2. That, a By-law to Amend By-law 2019-83, being a By-law under the Building Code Act respecting Construction, Demolition, Change of Use, Occupancy Permits, Transfer of Permits, Inspections and Associated Fees, be passed.

ALIGNMENT TO STRATEGIC PLAN:

- **Build** – a safe, connected, caring and active community.
- **Advance** – Organizational Capacity and Effectiveness.

BACKGROUND:

The Building Department received notification of outstanding Building Permit deposits from the Finance Department in the Fall of 2023. The Building department has conducted an internal review of a majority of the outstanding and open Building permits that these deposits pertain to. It has been found that the majority of these permits remain open due to minor issues found at inspection or a lack of submitted final documents. The Finance Department inquired if these outstanding deposits could somehow be brought into revenue. The Chief Building Official took this matter to the local area Chief Building Officials meeting to discuss. Through this process the proposed amendment has been drafted where it is included in other local area municipal Building By-laws for the same effect. Staff believe that the amendment to this by-law will assist in facilitating the closure of a majority of the open building permits that are beyond 7 years old.

CURRENT SITUATION:

There are currently in excess of 150 open permits dating prior to 2016. Each one of these open permits have an associated building permit deposit as well as some having an additional grading deposit. The intent of this amendment is to facilitate having applicants come back into the Township and provide the documentation, revisions or recall inspections required to close and return these deposits. The individuals that do not attend the Township to provide the closing documentation, recall inspections or revisions will not have their building permits closed or canceled as these activities pertain directly to the Ontario Building Code and Ontario Building Code Act. Such permits will be required to remain open only on the Building Department end, this will also be cause for subsequent building department follow-up. Additional inspections may have to occur to either witness the completion of the permit or that active construction is still occurring. The individuals who do not respond or do not actively attempt to close their permits will have the associated Building Permit deposits forfeited to the Township. These funds will be transferred into revenue and subsequently transferred into the

Building Department Reserve. Currently there is an outstanding amount of building deposits in excess of \$150,000.00.

These deposits were historically taken to assist or ensure final inspection is called for, it is in the opinion of staff that these deposits will be serving their due function by adding the proposed amendment to the Building By-law.

FINANCIAL IMPLICATIONS:

The proposed amendment will only have a financial impact in the cases where the deposits are forfeited. In those cases the outstanding deposits will be taken into revenue, resulting in a positive impact to the Building Department Reserves.

INTER-DEPARTMENTAL COMMENTS:

This report was initiated through discussions with the Finance Department.

CONCLUSION:

Staff recommends the amendments to the Building By-law 2019-83 be approved at the next Council meeting scheduled for April 22nd, 2024.

SCHEDULES:

1. Draft By-law to amend By-law 2019-83, as amended.

Prepared & Submitted by:

Approved by:



Brian Treble
Director of Planning & Building

Donna DeFilippis
Interim CAO



John Bartol
Chief Building Official