

Stratford City Council Special Council Open Session **AGENDA**

Meeting #: 4635th

Date: Monday, November 16, 2020

Time: 3:30 P.M.

Location: Electronically

Mayor Mathieson - Chair Presiding, Councillor Beatty, Councillor Bunting, Council Present:

Councillor Burbach, Councillor Clifford, Councillor Gaffney,

Councillor Henderson, Councillor Ingram, Councillor Ritsma, Councillor Sebben,

Councillor Vassilakos

Staff Present: Joan Thomson - Chief Administrative Officer, Tatiana Dafoe - City Clerk,

Ed Dujlovic - Director of Infrastructure and Development Services,

Kim McElroy - Director of Social Services, David St. Louis -

Director of Community Services, John Paradis - Fire Chief, Janice Beirness - Director of Corporate Services, Chris Bantock - Deputy Clerk, Jonathan DeWeerd - Chief Building Official

To watch the Council meeting live, please click the following link: https://stratfordca.zoom.us/j/85653174453?pwd=TnRmL09WY0pLdE1SYUg0allTaGkyOT09 A video recording of the meeting will also be available through a link on the City's website at https://www.stratford.ca/en/index.aspx following the meeting.

Pages

1. Call to Order:

Mayor Mathieson, Chair presiding, to call the Council meeting to order.

2. Declarations of Pecuniary Interest and the General Nature Thereof:

The Municipal Conflict of Interest Act requires any member of Council declaring a pecuniary interest and the general nature thereof, where the interest of a member of Council has not been disclosed by reason of the member's absence from the meeting, to disclose the interest at the first open meeting attended by the member of Council and to otherwise comply with the Act.

3.	Adjournment to Public Meeting:					
	THAT Buildi passe	the Special Council meeting adjourn to a Public Meeting under the ng Code Act to to consider an amendment to By-law 112-2005, a by-law d pursuant to the Building Code Act governing the issuing and charging of ts, to reconvene following the Public Meeting.				
	3.1.	Proposed Amendment to Building By-law #112-2005 including fee Schedule 'A' (COU20-180)	1 - 12			
		Motion by Staff Recommendation: THAT Council hear all interested persons with respect to the proposed amendment to Building By-law #112-2005 to increase permit fees for all types of building permits as of January 1, 2021.				
4.	Recor	nvene Council - Reading of the Confirmatory By-law:	13			
	The for Readi	ollowing By-law requires First and Second Readings and Third and Final ngs:				
	4.1	Confirmatory By-law				
		nfirm the proceedings of Council of The Corporation of the City of Stratford meeting held on November 16, 2020.				
		n by By-law 4.1 be read a First and Second Time.				
	Motio THAT	n by By-law 4.1 be read a Third Time and Finally Passed.				
5.	Adjou	rnment:				
		n by the November 16, 2020 Special Council Meeting adjourn.				



MANAGEMENT REPORT

Date:	November 16, 2020
To:	Mayor and Council
From:	Jonathan DeWeerd, Chief Building Official
Report#:	COU20-180
Attachments:	Proposed Amendments to Building By-law #112-2005 Building Permit Fee Analysis

Title: Proposed Amendment to Building By-law #112-2005 including fee Schedule 'A'

Objective: To have a Public Meeting to hear from members of the public regarding a proposed building permit fee increase on all permit fees with an effective date for new fees of January 1, 2021.

Background: This is in accordance with clause 7(1)(c) of the Ontario Building Code Act S.O. 1992, c23 as amended. Notice of the Public Meeting regarding the review of potential changes to the Building By-law fees as noted in Schedule 'A' of the Building By-law #112 2005, was posted on the City of Stratford website and posted in the Town Crier section of the local newspaper.

Analysis: The Building Code Act requires that Municipalities recover the reasonable costs of enforcing and administering the Ontario Building Code through the charging of fees. Both the direct and indirect costs are eligible. In order to manage fluctuations in building activity, the Act allows for reserve funds. The fees are contained within Schedule 'A' of the City of Stratford Building By-law #112-2005.

The last Building permit fee review and increase within the City of Stratford took place in 2015.

Since 2018, there have been significant increases to the direct and indirect costs of operating Building Services within the City of Stratford. In 2018 Corporate Services introduced a transfer of indirect operating costs in the amount of \$95,350.00 for items such as; building rent, IT services, and Corporate Services costs. In 2019, Corporate Services transferred the direct costs of Software Maintenance contracts and Telephones to Building Services in the amount of \$37,841.00. This was in addition to other indirect costs. In addition to these increased costs, in the past year we have seen a decline in the number of large industrial, commercial, and residential projects because of the COVID-19 pandemic.

Due to the reduced income and increased costs seen by Building Services in the past few years and the need to remain revenue neutral, shortfalls in funds were pulled from the Building Reserve Fund. Council has previously targeted a Building Reserve fund of 100% of the total operating costs of the department for a single year. In 2019, building permit revenue was \$434,081.00, down from the same period in 2018. The Building Reserve Fund as of December 31, 2019 had a balance of \$247,366.00. There was a capital project for new Building permit software approved in the 2020 budget in the amount of \$100,000.00 which will be funded from the reserve fund. The approved 2020 budget is projecting that \$151,240.00 will be required to be transferred from the Building Permit reserve to fund a potential shortfall in funds for the 2020 fiscal year. Based on the current trends and actual building permit applications, we are anticipating the shortfall will be closer to \$250,000.00 which is greater than the amount of funds remaining in the reserve fund. We are anticipating a negative balance by the end of 2020 in the Building Permit reserve fund.

Staff are recommending a fee structure designed to recoup the increasing operational costs and start to rebuild the depleted reserve fund to a point which will meet the target of 100% of the annual operating costs. According to the Bank of Canada, inflation has risen by 7.62% from 2015 to 2020; over the same period, according to RS Means Historical Cost Index, construction inflation has risen by 16.07%. As previously noted, there have been no increases to permit fees since 2015. The increase in permit fees for a Single Detached dwelling would go from \$1.12 per square foot to \$1.30 per square foot or approximately a 16% increase in the fees, which is in line with the increased cost of construction inflation over the five year period since the last fee review. The increase in a building permit for a 1,500 square foot bungalow with an unfinished basement and an attached garage would be an additional \$270.00 in permit fees (from \$1,680 to \$1,950).

Staff are also recommending that Section 3.2 of the Building By-law #112-2005 be deleted and that City projects be required to pay fees for Building Permits and inspection services.

Staff have advised the Stratford and Area Builders Association of the proposed fee increase.

Financial Impact: Approval of the recommendation as outlined in this report will have no impact on the current approved budget. Building Permit fees pay for all direct and indirect costs related to the delivery of building permit services.

Alignment with Strategic Priorities:

Strengthening our Plans, Strategies and Partnerships

Partnering with the community to make plans for our collective priorities in arts, culture, heritage and more. Communicating clearly with the public around our plans and activities.

Widening our Economic Opportunities

Strengthening Stratford's economy by developing, attracting and retaining a diversity of businesses and talent.

Staff Recommendation: THAT Council hear all interested persons with respect to the proposed amendment to Building By-law #112-2005 to increase permit fees for all types of building permits as of January 1, 2021.

Jonathan DeWeerd, Chief Building Official

Ed Dujlovic, Director of Infrastructure and Development Services

Joan Thomson, Chief Administrative Officer

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Permit Fee Schedule 'A' to By-law #112-2005

Type of Permit		_	nit Fee er Area (Sq.	Ft.)	Fee per Unit
Group 'A' -	- Assembly				
	Finished	\$ \$	2.00		
	Shell Only	\$	1.80		
	Outdoor Patio			\$	250.00
	Outdoor Pool - Public			\$	850.00
	Portable Classroom			\$	450.00
Group 'B' -	<u>· Institutional</u>				
	All Institutional classifications	\$	2.45		
Group 'C' -	<u>- Residential</u>				
_	Dwelling (Single, Semi, Duplex, Rowhouse, Stacked Rowhouse)	\$	1.30		
	Garage / Carport (per bay)	•		\$	180.00
	Shed, Deck, Porch			\$	180.00
	Apartment Building	\$	1.50	·	
	Hotels / Motels	\$	1.90		
	Residential Care Facility	\$ \$ \$	1.30		
Group 'D'	- Business & Personal Services	·			
	Finished	\$	1.70		
	Shell Only	\$	1.40		
	Finishing of Existing Shell	\$ \$ \$	0.40		
Group 'E' -	Mercantile	•			
	Finished	\$	1.70		
	Shell Only	\$ \$ \$	1.40		
	Finishing of Existing Shell	\$	0.40		
Group 'F' -	Industrial	'			
	Finished	\$	1.00		
	Shell Only	\$	0.75		
	Finishing of Existing Shell	\$	0.45		
	Parking Garage	\$ \$ \$	0.75		

<u>Agricultural</u>					
All Agricultural classifica	ations	\$	0.65		
Stand Alone & Miscellaneous We	<u>ork</u>				
Air supported structures		\$	0.75		
Alternative Solution	Part 9 (each)			\$	500.00
	All other Building/system (each)			\$	1,000.00
Balcony guard (replace per linear for	ot) - excluding low rise Residential	\$	0.65		
Balcony repair (per balcony)				\$	25.00
Ceiling (new or replace per square for	•	\$ \$ \$	0.25		
• •) - All Classifications (min. fee \$250.00)	\$	0.20		
Demolition (If P.Eng. review required	•	\$	0.15		
Designated Structures - Including Sc	,			_	450.00
retaining walls, public pools, & signs)			\$	450.00
Elevator, escalator, lift				\$	450.00
• • • • • • • • • • • • • • • • • • • •	discretion of the CBO, third-party review is			Þ	450.00
,	d by a designer as part of an application.				
Fee is in addition to applicable fees	, -			\$	2,000.00
Exterior ramps (excluding low rise R	- ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '			\$	250.00
Fireplace / Woodstove (each)	esiderical			\$	120.00
	In addition to Building Permit Fee (Min. \$500.00)	\$	0.20	Ψ	120100
Interior Finishes - All Classifications	• • • • • • • • • • • • • • • • • • • •	\$ \$	0.45		
Alterations/Renovations to previously	•	т			
- All Classifications not specified else		\$	0.40		
Rack storage systems (per lin. Ft.)		\$	0.45		
Reclad exterior wall (per linear foot)		\$	0.15		
Retaining Wall (per linear foot)		\$ \$ \$ \$	3.10		
Shoring & Underpinning (per lin. Ft.)		\$	3.40		
Signs				\$	120.00
Storefront replacement					250.00
Temporary Buildings (each)				\$ \$	250.00
Temporary Tents (each)				\$	180.00

Mechanical Work (independent of Building Permit)				
HVAC Permit (non-residential)	\$	0.15		
Fire Sprinkler System, Standpipe, etc. (Min. \$250.00)	\$ \$	0.10		
Commercial Kitchen, Spray Booth, Dust Collector (each)			\$	250.00
Electrical Work (independent of Building Permit)				
Fire Alarm System & Electrical Work (Min. \$250.00)	\$	0.10		
Electromagnetic locks & Hold open devices (each)			\$	120.00
Emergency Lighting (per storey)			\$	120.00
Plumbing Work (independent of Building Permit)				
Plumbing Permit (per fixture, min. fee \$120.00)			\$ \$	16.50
Catchbasin, maintenance holes, roofdrains (each)			\$	25.00
Building / Site Services (per linear foot)	\$	0.75		
Backflow Prevention Device (per device)			\$	120.00
On-Site Sewage System				
New or Replacement system			\$ \$	600.00
Alterations / Repair			\$	450.00
Other Fees	a de ed. Tribeles A			120.00
Minimum Permit Fee Low rise residential (SDD, Semi-det			\$	120.00
All Classifications (Unless noted oth	erwise)		\$	250.00
Revision to Permit Fee - Applicable to square footage				
of area where plan examination required due to submission of re	wicions			
after permit issued. (Min. \$120.00)	\$	0.10		
arter permit issued: (1.1111: \$120.00)	Ψ	0.10		
Permit to Occupy unfinished building			\$	250.00
Transfer Permit (change of permit ownership)			\$	250.00
Special Inspection Fee after hours (per hour)			\$	250.00
Special research requests of Building Division (per hour or part			т	
thereof and includes requests for written information			\$	60.00
			т	
Property Surveys - Records FOI			\$	25.00
• • •			•	

Staff Time / 15 min.		\$ 7.50
Photocopies (Black & White) - per copy	Letter, Legal, Tabloid	\$ 0.20
Photocopies (Colour) - per copy	Letter, Legal, Tabloid	\$ 0.75
Plotter copies (Large format) - per sheet		\$ 20.00

Classes of Permits

Class of Permit shall include:

- 1. Building permit BCA 8(1) (includes a farm building)
- 2. Partial Permit BCA 8(1)
- 3. Special Building Permit BCA 7(1)(a)
- 4. Demolition Permit BCA 8(1)
- 5. Conditional Permit BCA 8(3)
- 6. Occupancy Permit BCA 11
- 7. Change Of Use Permit BCA 10(1)
- 8. Plumbing Permit BCA 8(1) (specific types noted)
- 9. Mechanical Permit (H.V.A.C.) BCA 8(1) (specific types noted)
- 10. Structural Sign Permit OBC DIV. B 3.15
- 11. Transfer Permit BCA 7(h)
- 12. Sewage System Permit BCA 8(1)

Notes: BCA refers to the Ontario Building Code Act S.O. 1992, Chapter 23 as amended,

OBC refers to the Ontario Building Code O.Reg. 332/12 as amended.

SPECIAL BUILDING PERMIT FEE:

A special permit fee with respect to construction, change of use, demolition, heating, ventilation, air conditioning, electrical, plumbing or drainage work shall be paid by the owner where any work was commenced prior to the issuance of a permit.

The special permit fee shall be the regular permit fee plus an additional fee equal to 100% of the amount calculated as the regular permit fee, but in no case shall the additional fee exceed \$7000.00 in order to compensate the City for the additional work performed as a result of commencing work prior to permit issuance.

Payment of the special permit fee does not allow construction, change of use, demolition, heating, ventilation, air conditioning, electrical, plumbing or drainage work to continue without a permit.

INFILL SECURITY DEPOSIT FEE:

An Infill Security Deposit Fee in the amount of \$1,000.00 for each building permit application for a new single family dwelling, semi-detached dwelling or a building containing duplex or triplex dwellings except when said permit application is subject to a Construction Deposit as required in a Subdivision Agreement under the Planning Act.

Return of Infill Security Deposit Fee:

Upon the completion of a final inspection including final inspection of the individual lot grading by the inspector, the construction deposit without interest (or such portion as remains unused) for that lot shall be returned by the CITY to the party that paid the construction deposit.

FEES UNDEFINED IN TABLE:

Fee for classes of permits/type of work not described or included in the calculation of permit fee table shall be determined by the Chief Building Official.

INTERPRETATION:

The following guidelines are to be applied in the calculation of permit fees:

Floor area of the proposed work is to be measured to the outer face of exterior walls and to the center line of party walls or demising walls.

- In the case of interior alterations or renovations, area of proposed work is the actual space receiving the work, e.g. tenant suite.
- Mechanical penthouses and floors, mezzanines, lofts, habitable attics and interior balconies are to be included in all floor area calculations.
- Except for interconnected floor spaces, no deduction is made for openings within the floor area (e.g. stairs, elevators, escalators, shafts, ducts, etc.).
- Unfinished basements for single detached dwellings, semi-detached dwellings, duplexes and townhouses are not included in the floor area.
- Finished basements for single detached dwellings (including semis, duplexes and townhouses, etc.) may at the discretion of the Chief Building Official be charged the interior finishing fee in Schedule 'A'.
- Fireplaces, HVAC, electrical, woodstoves, plumbing, site services are included in the permit fee for single family dwellings if included in original application. Square footage for garage is charged at the residential rates per square foot.
- Where interior alterations and renovations require relocation of sprinkler heads or fire alarm components, no additional charge is applicable.
- Where demolition of partitions or alterations to existing ceilings and walls is a part of an alteration or renovation permit, no additional charge is applicable.
- Corridors, lobbies, washrooms, lounges, etc. are to be included and classified according to the major classification for the floor area on which they are located.
- The occupancy categories in the Schedule correspond with the major occupancy classifications in the Ontario Building Code. For multiple occupancy floor area, the Permit fees for each of the applicable occupancy categories may be used, except where an occupancy category is less than 10% of the floor area.
- Temporary building is a building that will be erected for not more than one year.
- When conditional/partial permits are issued, fees shall be charged according to the type of work proposed for each partial permit and shall have a cumulative effect.
- When a conditional/partial permit is issued to construct a building shell a partial permit to construct an interior finish must also be issued.
- Site Service works when applied for with a building permit for a Structure, will be charged as per fees set out in Schedule 'A' except for Single detached dwellings.
- For classes of Permits not described in this Schedule, the Chief Building Official shall determine a reasonable permit fee.

Building Permit Fee Analysis

The following is information in accordance with the requirements of Division C, Part 1, Clause 1.9.1.2.(1)(d) of the Building Code regarding the proposed amendment to Building By-law No. 112-2005 to establish new increased permit fees for all types of building permits.

2019 Operational Costs:

ANNUAL BUDGET						
Budget Item	<u>20</u>	19 Budget	<u> 20</u>	20 Budget		
Salaries (Note: 1)	\$	411,480.00	\$	415,056.00		
Benefits	\$	132,660.00	\$	130,950.00		
Salaries - Part-time		22,700.00		17,470.00		
Benefits - Part-time	* * * * * * * * * * * *	3,240.00	\$ \$ \$	1,460.00		
Operating Equipment, Materials, & Supplies	\$	9,750.00	\$	9,700.00		
Telephone	\$	6,310.00	\$	10,280.00		
Fuel & Oil	\$	1,800.00		1,800.00		
Maintenance & Repairs of Vehicles	\$	5,600.00	\$ \$ \$ \$ \$ \$ \$ \$	2,800.00		
Memberships	\$	4,150.00	\$	4,600.00		
Advertising & Notices	\$	1,300.00	\$	1,600.00		
Training / Education	\$	21,750.00	\$	22,000.00		
Misc. Expenses (Credit)	\$	1,500.00	\$	1,500.00		
Professional Services - Legal	\$	45,000.00	\$	45,000.00		
Subscriptions - Permitting Software	\$	42,000.00		45,000.00		
Contracted Services	\$	41,500.00	\$	41,500.00		
Payroll Burden						
Transfer to Reserves			\$	0.00		
Sub-total (Direct Costs)		750,740.00	\$ 7	750,716.00		
Transfer to General Revenue (Note: 2)	\$	98,450.00	\$	95,250.00		
Sub-total (Indirect Costs)	\$	98,450.00	\$	95,250.00		
Total (All Recoverable Costs)	\$	849,190.00	\$ 8	845,966.00		

Notes to Table:

Note: 1 - Salaries noted above do not include the co-op contract

position.

Note: 2 - Transfers include Indirect costs such as Rent, IT support, &

Corporate Services.

Current fees in other Jurisdictions:

Centre Wellington: 2020 fee for housing \$1.22 per sq. ft. Cambridge: 2020 fee for housing \$1.46 per sq. ft. Orillia: 2020 fee for housing \$1.15 per sq. ft. Guelph: 2020 fee for housing \$1.42 per sq. ft. Wilmot Township: 2020 fee for housing \$1.40 per sq. ft. Guelph Eramosa: 2020 fee for housing \$1.28 per sq. ft.

Below is a comparison of permit fees in Perth County for a 1,500 sq. ft. bungalow with 12 plumbing fixtures, an unfinished basement and a 600 sq. ft. attached garage in 2020. Since several Perth County municipalities use a combination of flat fee, fee per sq. ft., and fixture fee, comparing based on sq. ft. alone will not give a true comparison of permit fees.

Perth East: \$1528.00 North Perth: \$1507.00 West Perth: \$1556.00 South Perth: \$1590.00

Stratford: \$1680.00 (2020)

Stratford: \$1950.00 (Proposed increase for 2021)

St Mary's: \$1760.00

Proposed 2021 Fee Increase:

The fee increase as of January 1, 2021 will result in a fee of \$1.30 per sq. ft., up from \$1.12 per sq. ft. For a 1,500 sq. ft. bungalow with 12 plumbing fixtures, an unfinished basement and a 600 sq. ft. attached garage the fee increase will be an additional \$270.00 in permit fees (from \$1,680 to \$1,950).

Historical Permit Fee Increases:

- 1975 fees: \$4.00/\$1000 of construction value
- 1981 fees: \$5.00/\$1000 of construction value
- 1995 fees: \$6.00/\$1000 of construction value
- 2001 fees: 3% increase from 1995 fees and switched to a cost per square foot basis for housing the amount was \$.54 per sq. ft.
- 2002 fees: 3% increase in the spring and 2% in the fall for housing the total amount was \$.57/sq. ft.
- 2004 fees: 3.5% increase in the spring for housing the total amount was \$.59 per sq. ft. and 2% increase October 1, 2004 for housing the total amount was \$.60 per sq. ft.
- 2005 fees: 20% increase June 27th 2005. This resulted in a fee of \$.72 per sq. ft. for housing.
- 2006 fees: 10% increase June 1st 2006. This resulted in a fee of \$.79 per sq. ft. for housing. Fee cap of \$25,000.00 for industrial permits was instituted for 2006. This cap resulted in an overall reduction in permit fee revenue for 2006 of \$60,595.00.
- 2007 fees: 10% increase January 1st 2007. This resulted in a fee of \$.87 per sq. ft. for housing. Industrial fee cap has resulted in an overall reduction in permit fee revenue in the amount of \$130,408.00 as of October 1, 2007.
- 2008 fees: Graduated industrial fee instituted June 9, 2008. 5% increase July 7, 2008. This resulted in a fee of \$.91 per sq. ft. for housing.
- 2009 fees: 5% increase January 1, 2009 resulted in a fee of \$.96 per sq. ft. for housing and 5% increase July 7, 2009 resulted in a fee of \$1.01 per sq. ft. for housing.
- 2010 fees: 5% increase January 1, 2010 resulted in a fee of \$1.06 per sq. ft. for housing.
- 2012 fees: 2% fee increase January 1, 2012 resulted in a fee of \$1.08 per sq. ft. for housing.
- 2013 fees: 2% fee increase January 1, 2013 resulted in a fee of \$1.10 per sq. ft. for housing.
- 2015 fees: 2% fee increase January 1, 2015 resulted in a fee of \$1.12 per sq. ft. for housing.



BY-LAW NUMBER _____-2020 OF THE CORPORATION OF THE CITY OF STRATFORD

BEING a By-law to confirm the proceedings of Council of The Corporation of the City of Stratford at its meeting held on November 16, 2020 at 3:30 p.m.

WHEREAS subsection 5(1) of the *Municipal Act, 2001, S.O. 2001 c.25* as amended, provides that the powers of a municipal corporation are to be exercised by its council;

AND WHEREAS subsection 5(3) of the *Act* provides that the powers of council are to be exercised by by-law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS it is deemed expedient that the proceedings of the Council of The Corporation of the City of Stratford at this meeting be confirmed and adopted by Bylaw;

NOW THEREFORE BE IT ENACTED by the Council of The Corporation of the City of Stratford as follows:

- 1. That the action of the Council at its meeting held on November 16, 2020 at 3:30 p.m. in respect of each report, motion, resolution, recommendation or other action passed and taken by the Council at its meeting, is hereby adopted, ratified and confirmed, as if each report, motion, resolution or other action was adopted, ratified and confirmed by its separate by-law.
- 2. The Mayor of the Council and the proper officers of the City are hereby authorized and directed to do all things necessary to give effect to the said action, to obtain approvals where required, and, except where otherwise provided, to execute all documents necessary in that behalf in accordance with the by-laws of the Council relating thereto.

Read a FIRST, SECOND and THIRD time and

FINALLY PASSED this 16th day of November, 2020.

Mayor – Daniel B. Mathieson	
Clerk – Tatiana Dafoe	