

REQUEST FOR DECISION

DATE: September 3rd, 2015

Report No. CSS-15-016

TO: Laurie Hurst, Chief Administrative Officer

FROM: Blair McDonald, Director of Community Safety Services

SUBJECT:

632 Grenville - \$2500 Surety Deposit

RECOMMENDATION:

That Council receive Staff Report CSS-15-016 for information;
And further that Council direct staff to prepare an amendment to the Building Code Bylaw, 2002, No. 2538 to allow the Senior Plumbing and Building Inspector, or their designate, the latitude to waive the requirement under Appendix A, Section 9 - Damage - Surety Deposit, when it is apparent, due to the nature of the work being performed, that it is unlikely that damage to municipal works will occur.

RELEVANT POLICY:

Building Code Bylaw, 2002, No. 2538, as amended.

STRATEGIC RELEVANCE:

This matter does not relate directly to Council's Strategic Goals or Priorities.

BACKGROUND:

Mr. Stephane Vaudandaine applied for a building permit to construct a secondary suite in his residence. In accordance with Building Code Bylaw, 2002, No. 2538, Appendix A, Section 9 - Damage - Surety Deposit, there is a requirement for staff to collect a \$2500.00 surety deposit on all building or demolition permits. The surety is applied to the repair/replacement of any municipal works that may be damaged as a result of the construction associated to the building permit. Upon final inspection of the work and the issuance of an occupancy permit (if any), if there has been no damage to any municipal works, the \$2500.00 surety is returned. If there have been any damage to municipal works as a result of the actions of the permit holder or anyone conducting construction on their behalf, the repairs are conducted and the costs deducted from the surety. Remaining funds, if any, are returned to the permittee.

On August 17th, 2015, Mr. Vaudandaine appeared before Council expressing concern relating to the surety deposit. As a result of Mr. Vaudandaine's request, Council directed staff to prepare a report to clarify the issue at hand.

As the collecting of the surety is a condition of issuance of the building permit, and as the process is governed by Bylaw, there is no flexibility on behalf of staff to waive or vary the surety amount. The surety was properly collected by staff in accordance with the provisions of the Building Code Bylaw, 2002, No. 2538. When Mr. Vaudandaine's renovation is completed, his surety will be returned to him, minus any required repairs to municipal works, if any.

ISSUES:

1. Rationale for Selected Option

Allowing the Senior Plumbing and Building Inspector to review building permit applications and make a determination as to the likelihood of damage to municipal works, allows for more flexibility in determining when to collect the surety. Providing this flexibility will allow the Senior Plumbing and Building Inspector to waive the surety on those projects where it is unlikely that any damage to municipal works will occur. (IE: those jobs which are not adjacent to municipal works or those that will not involve heavy machinery crossing sidewalks etc.) This flexibility will lead to improved service to the community by not imposing a surety for what is often perceived as being "for no reason".

Damage to municipal works does not occur often, perhaps once per year. In those instances, it is valuable to have the surety to conduct required repairs; however, they are in the minority and almost always involve major construction projects as opposed to smaller renovations.

The Senior Plumbing and Building Inspector is well positioned to make the determination as to those projects that it is most appropriate to waive or to collect the surety. He has the requisite knowledge of construction practices and is knowledgeable as to when and how municipal works may be put at risk as a result of those practices.

In any instance where a surety was not collected, and municipal works are damaged, the Township still has the ability to seek recovery of any repair costs from the permit holder.

2. Organizational Implications

A change to the Building Code Bylaw, 2002, No. 2538 would be required to allow this flexibility. Also, a step would have to be added in the building permit process where the Senior Plumbing and Building Inspector would have to assess the likelihood of damage to municipal works. It is anticipated that this additional step will not delay the

building permit process nor create a significantly additional amount of work for the Senior Plumbing and Building Inspector.

3. Financial Implications

There are no significant budgetary impacts.

4. Sustainability & Environmental Implications

There are no sustainability or environmental implications.

5. Communication & Engagement

As this change will only affect those applying for building permits, the strategy will be to change the building permit application form to include a clause that a \$2500.00 surety may be charged if in the opinion of the Senior Plumbing and Building Inspector, damage to municipal works MAY occur as a result of the construction.

ALTERNATIVES:

1. That Council receive Staff Report CSS-15-016 for information;

And further that Council direct staff to prepare an amendment to the Building Code Bylaw, 2002, No. 2538 to allow the Senior Building and Plumbing Inspector, or their designate, the latitude to waive the requirement under Appendix A, Section 9 - Damage - Surety Deposit, when it is apparent, due to the nature of the work being performed, that it is unlikely that damage to municipal works will occur.

2. That Council receive this report for information only.

3. That Council provide alternate direction to staff.