REGIONAL DISTRICT OF CENTRAL OKANAGAN SERVICE REVIEW

| Service Under Review: | Building Inspections Enforcement of Land Use Bylaws |
|------------------------------|--|
| Service Review Requested by: | Regional Board (Service Establishment Bylaw Review Schedule Approved - Jan 16, 2014) |
| Year of Review: | 2020 |

Objective of Service Review Update

To review the building inspections service and associated land use bylaws, to ensure that they are operating in an effective and efficient manner, meeting expectations of the Board, maintaining the safety of people and buildings, protecting the environment, encouraging energy efficiency improvements, and meeting the needs of the public.

<u>Mandate</u>

- To provide building inspections services for the electoral areas.
- To provide land use bylaw enforcement services for the electoral areas.
- To ensure compliance with applicable codes and regulations in order to increase the safety and health of the community.
- To maintain records of all historic and current building permit documentation.
- To support responsible environmental protection and energy efficiency in new construction.

Program Management Goals

Building Inspections

- Reduce the impacts of incompatible uses, and achieve safer and more efficient buildings that last longer through compliance with applicable provincial codes and RDCO bylaws, policies and development permit area provisions of official community plans.
- Effectively manage resources and budget to:
 - Balance staffing to efficient levels that provide for building permit issuance within a two-week window and inspections completed in a timely manner so as not to impede project progress.
 - Ensure that permit fees are set at appropriate levels to provide sufficient revenue to accommodate the target staffing/efficiency balance.
 - o Support other bylaw activities to realize efficiencies while working in the field.

- Support builders in meeting the energy-efficiency requirements of the BC Building Code by being involved early in the building permit process.
- Maintain a permit closure program that focuses on having permit holders complete their projects in a timely manner.
- Enter inspections electronically from the field and print off or email inspection reports while still on site to allow projects to proceed.
- Transition fully to electronic record-keeping.

Land Use Bylaw Enforcement

- Respond to complaints about violation of the land use bylaws for the electoral areas to mediate and resolve complaints in accordance with the bylaws.
- Respond to complaints in a timely manner.
- Aim to achieve voluntary compliance of bylaws through a progressive approach including education, communication and enforcement.

For Both Services

- Continue to ensure that staff:
 - Are knowledgeable and capable of professional interaction with a diverse group of stakeholders and contacts;
 - Carry out their duties in a manner that provides for personal safety;
 - o Respect the constitutional rights of the persons with whom they interact;
 - Are provided with training opportunities to enhance their understanding of their duties, responsibilities, and liabilities; and
 - Communicate to stakeholders and contacts using language that is clear and easily understood.
- Ensure that the extent and levels of service are clearly defined for staff and stakeholders.
- Adopt a proactive approach to resolving problems.

Program Activities

Building Inspections

- Process building permit applications by:
 - o Checking for conformance with zoning bylaw and building bylaw requirements;
 - Plan-checking, preparing and issuing building permits;
 - Referring applicants for development permits and engineering department requirements as necessary; and
 - Working with registered professionals regarding complex structures, energy efficiency, design or geotechnical issues.

- Permit Management, Monitoring and Compliance Enforcement:
 - Managing building permit files;
 - o Carrying out requested inspections in accordance with the building bylaw;
 - Proactively monitoring inspection areas for construction occurring without building permits;
 - Responding to illegal construction activity with appropriate bylaw enforcement procedures;
 - Monitoring building permit files for ongoing status of building projects and compelling owners to complete projects;
 - o Notifying BC Assessment Authority of property improvements for taxation purposes;
 - Evaluating proposed equivalents to building code provisions or materials;
 - o Continuing the digital management program of completed building permits; and
 - Reporting on quarterly activity and financial reports.
- Maintaining professional qualifications by continuing to be a member of various building associations and attend upgrade courses as required.
- Inspecting businesses for compliance with the building code and other regulations as part of business licence referrals.

Land Use Bylaw Enforcement

- Investigating bylaw violation complaints by:
 - Interviewing alleged violators;
 - o Inspecting properties alleged to have been in violation of bylaws;
 - Documenting the activity; and
 - Searching for other information that may be relevant to the allegations.
- Resolving bylaw violation complaints by:
 - Concluding that the bylaw was not violated; or
 - Using voluntary compliance, ticket fines, provincial court proceedings, court orders or direct enforcement, as required, to bring about compliance with bylaw provisions.

For Both Services

- Answering public inquiries and providing information about:
 - Building bylaw requirements;
 - Various bylaws enforced by the RDCO;
 - Archived and active building permits; and
 - Processes for disputing ticket fines and other enforcement procedures.

Participating Members

Central Okanagan West and Central Okanagan East Electoral Areas

Funding:Building permit feesTax requisition for enforcement of land use bylaws

Committees: Governance and Services Committee

Authority Under Which the Service is Approved

• Building Inspection Extended Service Establishment Bylaw No. 400, 1989

Applicable Bylaws

- Building Bylaw No. 835, 1999
- Bylaw Notice Enforcement Bylaw No. 1326
- Ticket Information Utilization Bylaw No. 435, 1990
- Zoning Bylaw No. 871
- Joe Rich Rural Land Use Bylaw No. 1195
- Official Community Plans (Ellison, Rural Westside, South Slopes, and Brent Road-Trepanier)

Financial Implications

Participants

By Requisition – Central Okanagan West and Central Okanagan East Electoral Areas

In 2016, 2019, and 2020 the building permit fee revenue alone was adequate to cover all expenses. In 2017 and 2018, when building permit fee revenue was significantly lower, the shortfall was covered by the operating reserve.

The operating reserve, established in 2016, allows surpluses from previous years to be carried forward to cover any shortfall that may occur due to changing economic conditions that may reduce the number and/or value of building permits applications. It also allows Building Inspections to provide a stable service level from year to year. Over the past five years, Inspections Services revenue—including the building permit fees, other revenue, tax requisition and operating reserve—has consistently been greater than its expenses.

2021 Program Budget

The approved budget is \$476,153.

| 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------|-----------|-----------|-----------|-----------|
| \$476,153 | \$482,361 | \$492,008 | \$501,848 | \$511,885 |

The budget for the next five years is calculated based on a 2% projected inflation rate using the 2021 budget as a base year.

Other Financial Implications to Consider

- Reserve Balance Yes (X) No ()
 - Projected \$344,659 at 2021
- Capital Investment Yes (X) No ()
 Replacement of truck for inspectors in 2023 \$40,000

Analysis of Service

SWOT Matrix

| Strengths | Weaknesses |
|---|--|
| Typically issue building permits within two weeks Operating reserve fund has supported | Lack of resources for proactive bylaw enforcement or to pursue placing bylaw contravention notices on title. |
| stable service level provision over last five years | Fines are ineffective at achieving compliance. |
| Progressive approach to bylaw enforcement starting with voluntary compliance | Staying informed about industry trends and innovations, changing regulations and case law. |
| | Lack of integration and interoperability of RDCO software applications to streamline work flows |
| | Resource capacity of staff to develop and implement new policies (e.g. Step Code) |
| | • Size of electoral areas requires significant time spent driving for inspections. |

| Opportunities | Threats |
|--|--|
| Improve availability of online services and information (i.e. payment systems for | Changing economic conditions impacting inspections service demand and revenue |
| building permits, development application trackers) | Disruptive events (i.e. pandemic, wildfire) impacting service delivery |
| Ongoing staff training | Changing regulatory conditions (e.g., |
| Develop policy to determine bylaw | changes to BC Building Code) |
| enforcement priorities to allocate resources and establish a consistent approach | Amount of illegal construction in electoral areas requiring increased bylaw enforcement. |
| Continue developing educational resources to clarify building and bylaw requirements to improve compliance | Shortage of qualified building officials in BC and increasing educational requirements. |

Concerns Regarding Current Provision of Service

- Maintaining a consistent level of service despite disruptive events, economic upturns that may result in increased demand for the building inspections service, or economic downturns in the construction industry that may result in reduced revenue is an ongoing concern.
- The number of structures being built in the electoral areas without permits exceeds the ability of building inspectors to monitor and enforce. Staff levels are inadequate to enforce all known building bylaw violations or to provide for proactive (non-complaint driven) building bylaw enforcement. Fines have historically been ineffective at ensuring compliance as they are too low and/or it takes too much staff time to ensure fines are paid.
- Qualification requirements for building officials are increasing as of February 28, 2021 representing a further challenge to finding qualified building officials in BC.
- Currently, staff levels are inadequate for new policy development and implementation such as the BC Energy Step Code.
- Bylaws and policies require an update:
 - Building Bylaw No. 835 requires an update;
 - Building Inspections policies are outdated and additional policies are needed; and
 - Building permit fee schedule requires amending to reflect increased costs.
- Online services are limited, but are needed to improve customer experience and resiliency to disruptions causing office closures.

 Improved software integration (Vadim Building Permit module not integrated with GL) needed to produce customized reporting and to streamline data entry and information access to optimize staff resources.

Current Initiatives to Improve Service

The following initiatives are already underway and will be available for Board consideration in 2021:

- 1. Building Bylaw
 - A new building bylaw has been drafted to replace Building Bylaw No. 835 (see Attachment B for draft bylaw).
- 2. Development Application Fees and Charges Bylaw
 - An updated fee schedule has been drafted and will be included in a new Development Application Fees and Charges Bylaw (see Attachment C for draft bylaw).
- 3. Building Inspections Policies Review
 - All existing Building Inspections policies have been reviewed (see Attachment D for full list):
 - 12 policies are proposed to be rescinded;
 - 4 policies are proposed to be updated; and
 - 4 new policies.
- 4. Bylaw Compliance Policy
 - Under development in coordination with the Bylaw Services team.
 - Will provide policy guidance regarding bylaw compliance priorities to efficiently allocate staff resources in order to address public health and safety.

Options for Consideration

- 1. Maintain current staff levels, service levels, and funding model
- 2. Maintain current funding model and increase staff levels to allow for proactive building bylaw enforcement
 - Hire an additional 0.5 FTE building inspector funded by additional tax requisition to engage in additional proactive (non-complaint driven) building bylaw enforcement in the electoral areas.

Future Service Review Considerations

• The next service review should review the building permit fees and update as necessary.

Next Proposed Service Review Period

• 2026 as per Board resolution of five-year review cycle.