



Development Services Staff Report

Report Title:	Building Section – Staff Increase Request
Report Number:	DS20-2022
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Consent Item:	No
Final Version:	Yes
Reviewed By:	Deanne Friess, Director of Development Services
Final Review:	Senior Management Team

Recommendation:

That the Council of the Township of Woolwich, considering Report DS20-2022 respecting the Building Section staff increase request, approve the hiring of two full time Building Official positions for the Building Division, with funding to be fully covered from the Building Administration Reserve Fund.

Background:

The Ontario Building Code requires permits to be issued and inspections to be completed within provincially mandated timelines. The delivery of these services is required to be covered 100% by revenues collected and does not come from the general tax levy. The Township is also required to have a reserve fund that can be drawn on to allow for the continuation of the service in the event budgeted revenues are not able to be met. This is consistent throughout the province.

Within the past six months the building division hired a consultant to assist with building inspections due to staffing levels being reduced because of unforeseen circumstances. This reinforced how critical stability is within the department when required to meet provincially mandated timelines. The cost to hire this consultant was substantially more than the cost associated with a staff person.

In spite of the current pandemic, the building department continues to see solid growth. That, combined with the complexity of projects we are seeing, and the volume of daily inspection requests we are receiving, demonstrates that an additional two building officials are needed to assist with the current workload.

Comments:

In 2021, the building division issued 730 building permits, 250 of them being dwelling units. In 2020, 650 building permits were issued with 237 of them being dwelling units.

By the end of April 2022, 183 permits have been issued with 59 dwelling units. Comparing that to the first four months of 2021, we issued 157 permits with 34 dwelling units.

The stats above reflect that the building division is continuing to issue more permits year over year.

Below are numbers for the current subdivisions under construction.

- Lunor Development, Elmira (1,176 total units) – currently Phase 3 of 10 phases being developed (20% of total units built to date),
- Southwood 4, Elmira (553 units) currently Phase 2 of 3 being developed (14% of total units built to date),
- Valley View, St. Jacobs (148 units) currently Phase 2 of 3 phases being developed (43% of total units built to date),
- Thomasfield Homes, Breslau (900 units) currently Phase 2 of 4 phases being developed (26% of total units built to date),
- Empire Communities, Breslau (580 units) currently Phase 2 of 3 phases being developed (49% of total units built to date), and
- Sunset Hills, Maryhill (38 units) currently Phase 2 of 2 phases being developed (79% of total units built to date).

In addition to our active subdivisions, there are two additional subdivisions (Activa in Elmira and Madison Homes in Breslau) that will be ready to build houses in 2023/2024. We need to have fully qualified staff trained and ready ahead of these subdivisions starting so we can handle this additional work.

In addition to traditional low density residential growth, Woolwich is seeing higher density construction projects as well (Multi-Residential, Industrial, Commercial, Institutional). The trend in building service delivery has resulted in building staff needing to become more specialized in the Ontario Building Code for a variety of building types. Industrial, Commercial, Institutional (ICI) and multi-Residential developments require a significant amount of plan review and inspections. Current examples of more complex projects are the expansions at the Waterloo Regional Airport, a new 4 storey mixed commercial residential building in Breslau and buildings where the uses are changing.

Woolwich has implemented a staging guide for permit issuance to limit growth by development, to roughly 75 units per year. However, if builders do not meet their allocation target, they can collect the unused units and apply them to subsequent years,

potentially meaning in any year, they could have more than 75 units. This has been the case in some developments. The result is increases in permit applications.

Current Staffing Levels

The current staffing levels for the Building Section are:

- Chief Building Official
- 1 Administrative Assistant
- 2 full time Inspectors
- 1 full time Plans Examiner
- 1 full time Plans Examiner/Large Building Inspector

In the past 3 years, two full time technical staff have been hired due to workload volumes (one inspector and one plans examiner).

An additional plans examiner and an additional building inspector are now required in the areas of building inspections and plan review.

Building inspection volumes are keeping the Township's two small building inspectors very busy, and extra help is needed. The list of building inspections for a day is being compiled the afternoon before. We request that inspections are booked by 2pm the day before to allow adequate time to be given to our customers to book their inspections. It is then common for our inspectors to review this list and divide up the inspections after hours into the evening to prepare for the next day. Items such as conditions on building permits, past inspection notes and engineer letters are reviewed as preparation for their inspections.

Reducing the number of inspections our inspectors are completing in a day would allow them to prepare and complete their inspections, enter their inspection notes, deal with phone calls and emails about non inspection items and get ready for the following day. As well, building inspections are taking longer and the Building Code is continuously being changed and is more complex. Our inspectors are also dealing with non-inspection items. Examples of these are property owner inquiries, grading issues and individuals building without permits. This is no longer sustainable at our current staffing levels. There is also the threat of liability in the event something is missed.

Staff also note the large geographical area to be covered, given Woolwich has the largest land area in the Region. This adds significant time to their day driving between inspections.

An additional plans examiner is required as the volume of permit applications/plan review work that we are receiving exceeds what our current staff can manage. Along with reviewing plans, our plans examiners are also responsible for other tasks which include - answering questions from the general public, researching new building products to determine if they are approved for use in Ontario and assisting with our administrative duties when needed. It is critical that technical work be completed by our qualified

building officials, and that our officials have adequate time for training on Building Code changes and updates. As the Building Code continues to change at a rapid pace, our plans examiners are also often responsible for educating applicants of changes. This can lead to many back and forth discussions, resubmissions of drawings and re-reviews of plans by staff – all which take a significant amount of time. For example, a house addition project can take weeks of back and forth discussing details with the applicant or their designer. Staff are seeing a tremendous increase in the amount of time working with applicants in filling out applications, answering questions and assisting with plans. Our plans review staff are our front-line employees in assisting our customers.

Moving forward, increased staff are required to maintain thorough plan reviews for all projects as the workload increases due to the influx of new buildings and homeowner renovations. If plans are not thoroughly reviewed, issues arise during the time of construction and must be resolved in the field.

Plan review staff are also responsible for ensuring applications and drawings sets that have been submitted are deemed complete. Missing information from a drawing set is a liability. With such complex projects being applied for, our large building inspector/plans examiner's time is being consumed with these ICI and multi-residential projects. An additional plans examiner is needed to assist with our other projects.

A comparison was done with the Township of Wilmot based on the number of technical staff and permits issued in 2021.

Wilmot

- 3 technical staff & Chief Building Official
- 469 building permits issued in 2021 (156 permits/technical staff)

Woolwich

- 4 technical staff & Chief Building Official
- 730 building permits issued in 2021 (182 permits/technical staff)

Prior to this year, the Building Division has never been able to be proactive in undertaking additional necessary tasks. This year we sent out notices for the first time, to close out open building permits from 2019. This proved to be a significant undertaking and added a significant amount of work for our inspectors. Each open permit was unique and took time to resolve. Open building permits are a liability for the Municipality and often consume substantial amounts of staff time when properties are sold, and open permits need to be dealt with.

Additional staff resources and attention also need to be put into yearly re-occurring items that require enforcement through the Building Code and Municipal by-laws. These items include yearly follow up on tertiary septic systems, mandatory septic re-inspections and facilitating the Termite Control Program. Building staff are also working with other departments on a backflow prevention by-law. The building section will be involved with

this bylaw in helping to create an inventory of buildings, reviewing cross connection surveys and completing inspections of buildings.

Staff believe the workload exists for two full-time positions for immediate recruitment.

Qualified Building Staff Concern

In 2006, the province reformed the Ontario Building Code to increase the safety and quality of building construction in Ontario. One of the reforms was mandatory Building Code knowledge examinations for municipal building officials.

Information has been shared by the Ontario Building Officials Association (OBOA) stating that 50% of Ontario Building Officials are between the age of 55 to 64. This means there is an impending estimated 50% turnover due to retirements in practicing building officials in the next 5 years.

At the time of writing this report, there are 39 building official jobs posted on the OBOA's website. There are simply not enough qualified building officials for each municipality to hire.

This is also occurring at a time when building code regulations are becoming more complex and a higher level of skill is required to correctly and effectively administer and enforce the Building Code.

As a result, full time Building staff attraction and retention is a concern.

The desired preferred candidates that represent the best fit for the Building Division may need additional training and qualifications so they can complete inspections and plan review for all types of buildings. It will take time to get staff qualified, but this is essential as having unqualified staff completing plan reviews and inspections is a liability to the Municipality.

Changes to Ontario Building Code

The current version of the Building Code came into effect on January 1, 2014. Since its release, there have been many amendments with significant impacts to the Building Code. As changes are made to the Building Code, staff need considerable time to learn the changes, which cannot occur with current staff levels.

Other changes have added enhanced technical requirements to buildings, which add to plan review and inspection times.

Building Code Consultant

The Building Division recently employed the services of a building code consultant to assist with inspections. Doing a cost comparison, hiring the consultant on a full-time basis is more than double the cost of hiring a full-time employee. It is also recommended to keep all plan review and inspections done in house by staff to ensure consistent interpretations are being made and to continue delivering strong customer service to our

building customers. The continued use of a consulting service is not financially viable without having to consider fee increases.

Interdepartmental Impacts:

As building permit volumes continue to increase year over year, this will have an impact on Planning, Development Engineering and Infrastructure staff. These divisions review individual building permit submissions before permits are issued and assist with issues that arise during construction.

Financial Impacts:

When Bill 124 came into effect in 2005, it set new rules governing building permit fees to enhance transparency and it limited municipal building permit fees to the anticipated reasonable cost to administer and enforce the Building Code.

In general, building permit fees should reflect actual Building Enforcement costs on a user pay basis. A Building reserve fund was established by the Township to offset fluctuations in Building Section revenues. At the end of 2021, the Building Reserve fund was approximately \$1,656,225.77.

The legislation allows municipalities to create a reserve fund to cover direct and indirect costs associated with the enforcement of the Building Code. The intent is to allow the continued operation in “down times”, so that the service is not dependent on taxes to supplement shortfalls. Direct costs include matters such as salaries, benefits, mileage, and training. Indirect costs are defined as those other costs that are associated with and necessary for the day-to-day operations of the service. These indirect costs include heat, hydro and space as well as those costs associated with the department such as the planning, payroll and supervision aspects.

All costs, including any increase in salary and software, will be reflected through an annual review of our Building By-Law fees and adjusted accordingly to cost recover our direct and indirect cost amounts based on upcoming anticipated building activity. The current top salary step for these positions (Level 7) is \$83,316 plus benefits.

Strategic Plan Impacts:

Continue to attract, develop and retain high quality employees through effective recruitment and retention efforts and quality training programs.

Balance education and experience when recruiting new staff and ensure good corporate and community fit.

Maintain a high standard of municipal service delivery.

Emphasize exceptional customer service so that such service is recognized as a particular strength of the municipality.

Review the planning and development process and outline improvements and changes that will be required to ensure a timely process, while also ensuring effective participation occurs and contributes towards the goals of the community.

The new building official positions will meet the Strategic Plan objectives.

Conclusion:

To ensure building permits are issued and inspections are completed within provincially mandated timelines, two additional full-time staff are needed. Building permit activity has remained strong for many years, and appears likely to continue into the future with two more significant subdivisions coming and our multi-residential & ICI construction projects.

Inspection staff working after hours to get ready for the next day, and plan review staff dealing with the complexity of projects we are seeing is no longer sustainable at our current staff levels. With a lack of qualified building officials available across the province to hire, resources may have to be put towards training the preferred candidates until they are fully qualified.

The costs of the new staff will be fully funded by building permit revenue within the building section.

Attachment

None.