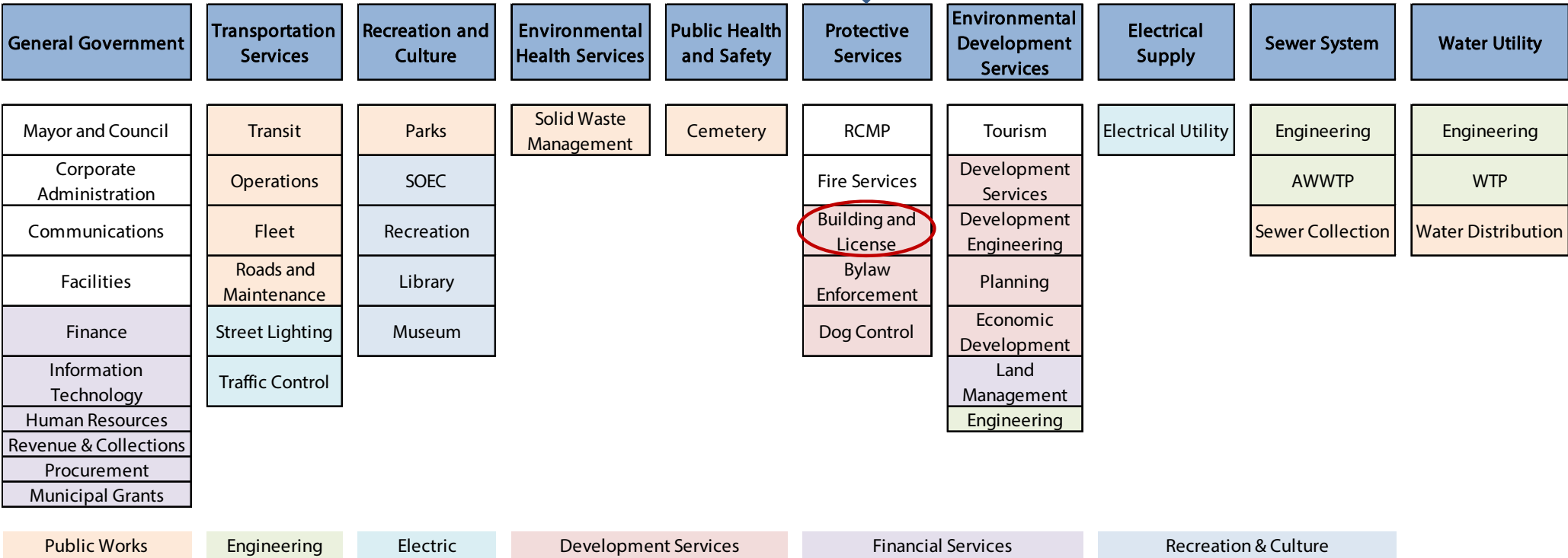


City of Penticton: Financial Plan Reporting Structure

General

Utilities



Building and Licensing

Advances the City's mission as a livable, thriving, safe and sustainable City by guiding how buildings are constructed, occupied and businesses operate.

This is achieved by creating a quality business and development climate in order to grow the tax base.



Overview

The Building and Licensing department is involved in many phases of development.

The proposed 2018 operating budget and strategic plan will continue our commitment to provide high levels of customer service for our development community, businesses and property owners during a period of record building and business growth.



2017 Accomplishments

Efficiency Improvements to current processes

- Building applications
- Business License processing
- Bylaw Enforcement case file management
- Onboarding of new Property Use Inspector
 - Revised Vacation Rental Program
 - Pro-active compliance enforcement & education



*Protective Services
Building and Licensing*



Vacation Rentals

Operating a Vacation Rental?



[Click Here!](#)

Live Near a Vacation Rental?

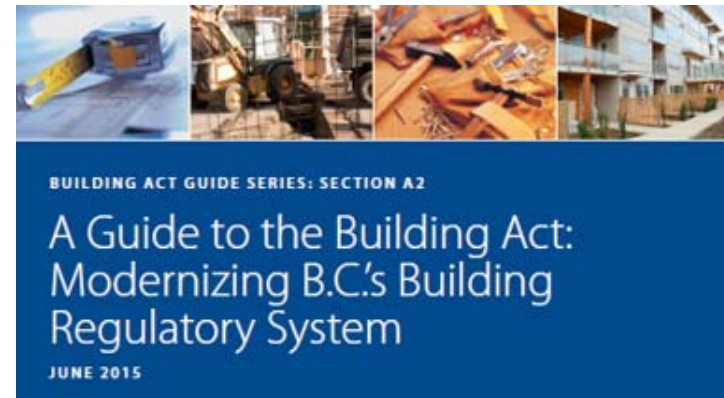


[Click Here!](#)

penticton.ca

2017 Accomplishments – Con't

- Modernization of Cross Connection Program
 - Third party software – online user interface
 - Updated website, forms and C/C Bylaw
- Rewrite of the Building Bylaw, forms and website improvements.
 - Education of new Provincial Energy Code standards
 - Development Community Consultation

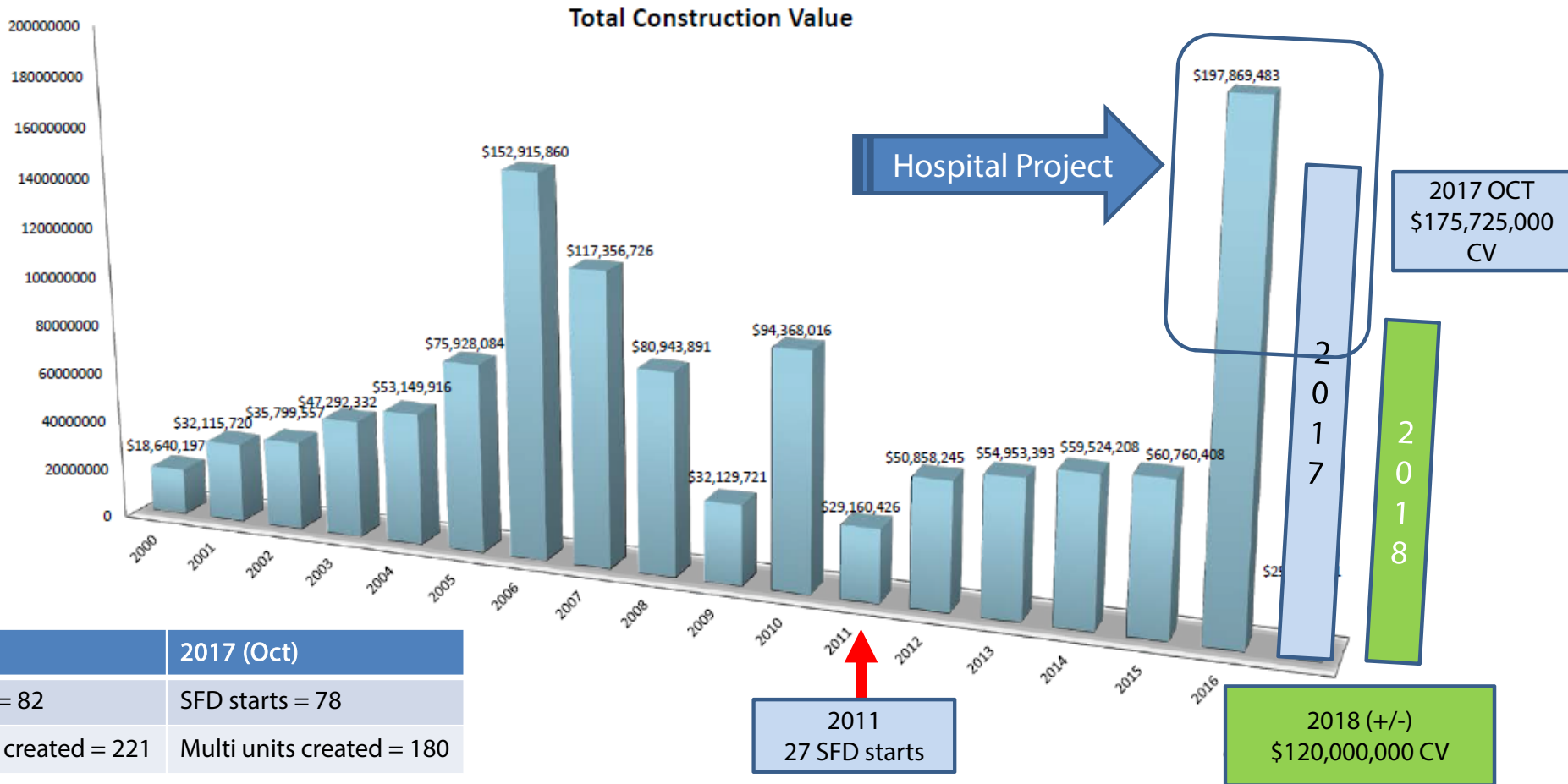


2017 Accomplishments – Con't *Building and Licensing*

Permits, Licenses and Enforcement files will meet or exceed 2016 levels.

<p>2016 (year end)</p> <ul style="list-style-type: none">• \$197,000,000 Construction Value (record)• 992 Building Permit Applications• 3400 Inspections completed• 480 permits closed• 481 new Business Licence applications (39 new Vacation Rentals)• 562 Amended Business Licences	<p>2017 (October 31st)</p> <ul style="list-style-type: none">• \$175,725,000 Construction Value• 954 Building Permit Applications• 2937 Inspections completed• 607 permits closed• 460 new Business License applications (61 new Vacation Rentals)• 537 amended Business Licences• 2976 Total Active Business Licences• 165 Enforcement case files (Bldg. & Lic.)
<p>2016 Permit and Licencing Revenue – Dec 31 \$ 2,360,775.00</p>	<p>2017 Permit and Licencing Revenue (Oct 30) \$ 2,111,496.00</p>

Protective Services



2016	2017 (Oct)
SFD starts = 82	SFD starts = 78
Multi units created = 221	Multi units created = 180

2011
27 SFD starts

2018 (+/-)
\$120,000,000 CV

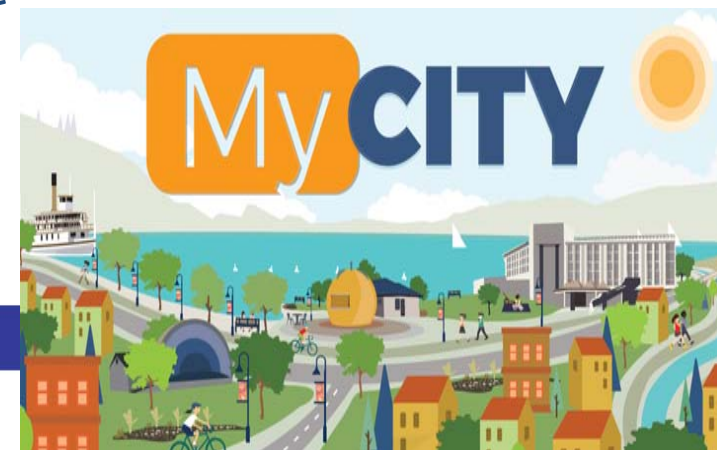
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (Jan-Mar)
Total Construction Value	\$18,640,197	\$32,115,720	\$35,799,557	\$47,292,332	\$53,149,916	\$75,928,084	\$152,915,860	\$117,356,726	\$80,943,891	\$32,129,721	\$94,368,016	\$29,160,426	\$50,858,245	\$54,953,393	\$59,524,208	\$60,760,408	\$197,869,483	\$25,340,481

2017 Challenges

- Longer review times for permits – peak period – 10.5wk average permit issuance for Single Family permits
- Growing pains with new software programs
 - Inspection report communication and direction to owners – builders
 - Data file management – digital vs. hard copy
- Unable to fully launch 2017 communication & home owner education projects
 - MyCity – Online customer interface
 - Home Owner permit awareness program



Protective Services Building and Licensing



2017 Challenges – Con't

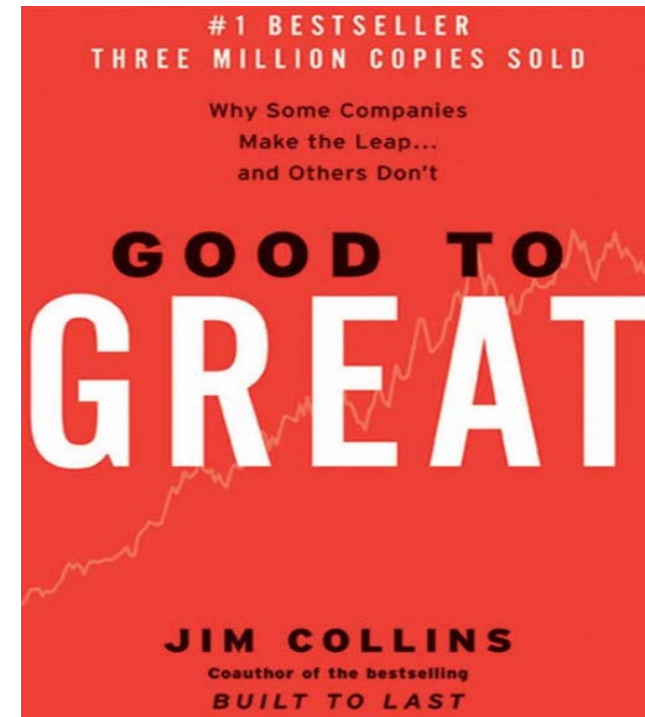
- Business Licence eApply deferred to 2018,
- Decreased customer service follow up – counter, emails and phone calls – loss of front counter inspector (July to October),
- Decreased code and permit education – reduced workshops and bulletins,
- Unable to fully engage enforcement priorities with delayed hire of Property Use Inspector (June).

2018 Initiatives

*Protective Services
Building and Licensing*

Continue Departments 3 Year Vision to become one of the most efficient and progressive Building and Licencing departments in Canada (by 2020).

- Through continuous improvements in:
 - Technical Training, Certifications & Accreditation
 - Communication & Education
 - Efficiency via:
 - Smart use of Technology & digital filing, and
 - Modernized policy and procedures.



pentiction.ca

2018 Initiatives

*Protective Services
Building and Licensing*

Benefits

- Retain and attract skilled workers
- Faster turn around times for owners & business operators
- Consistency – reduced errors (long term liability reduction)
- Become an industry leader
- Cost reductions



2018 Initiatives

Modernize the Building Permit program:

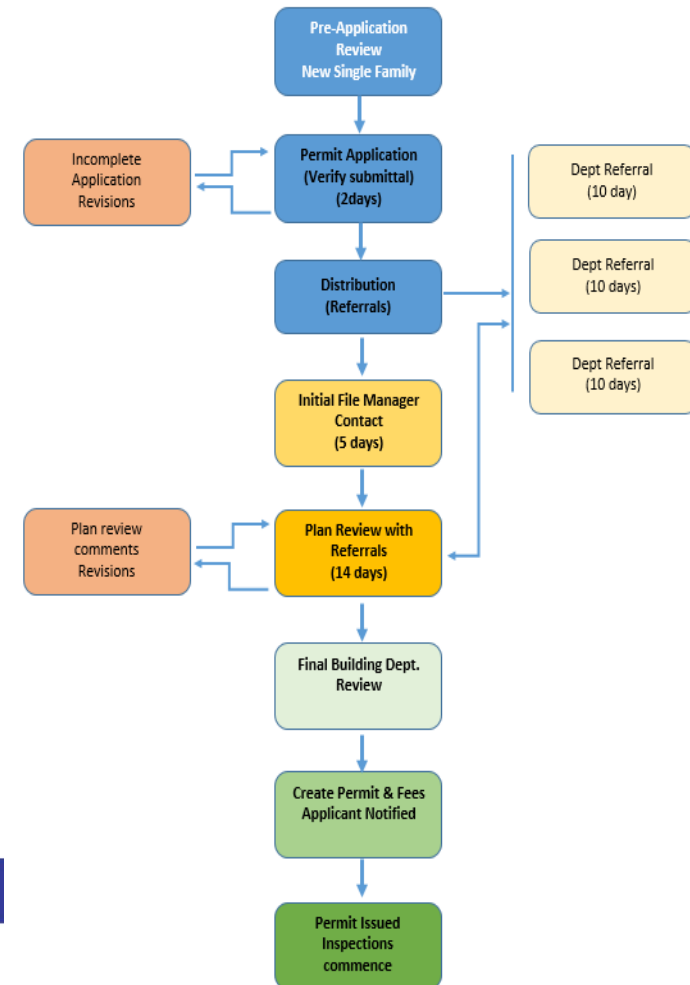
- Education and minor amendments of new Building Bylaw,
- Implement eApply applications and testing of digital plan reviews
- Improve on-site inspection process and permit closure
- Improve self-service for permit tracking and inspections

Result in

- Reduce permit review times, errors (liability) and non-renewed permits,
- Improved consistency and communication with owners, designers and builders.



Protective Services Building



2018 Initiatives – Con't

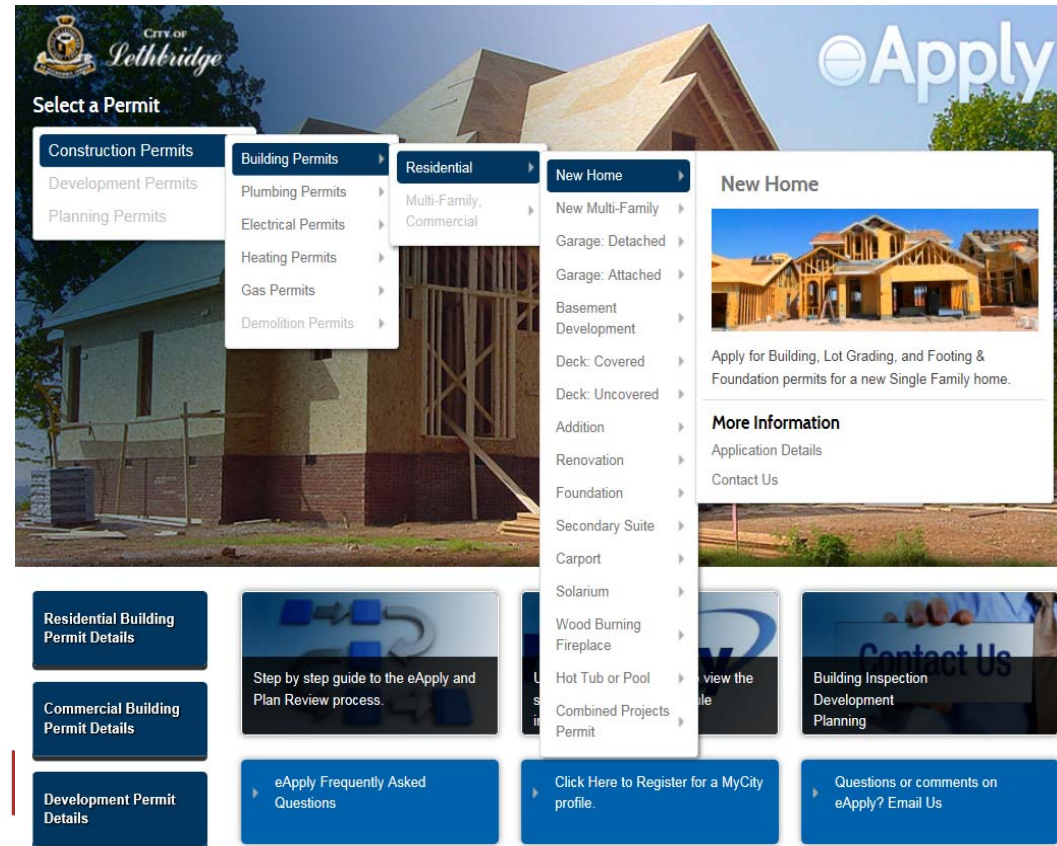
Achieved by:

- Re-allocating staff resources with relief support to enhance Permit tracking & application systems.
- Updated webpage – ready for eApply
- Research into best practices leading to further process improvements.

Desired Results – New S.F.D reviews
 Dec 2017 – less than 6 weeks
 April 2018 – less than 4 weeks
 Sept 2018 – 2 week – new standard



Protective Services Building and Licensing



2018 Initiatives – Con't

Modernize the Business License program:

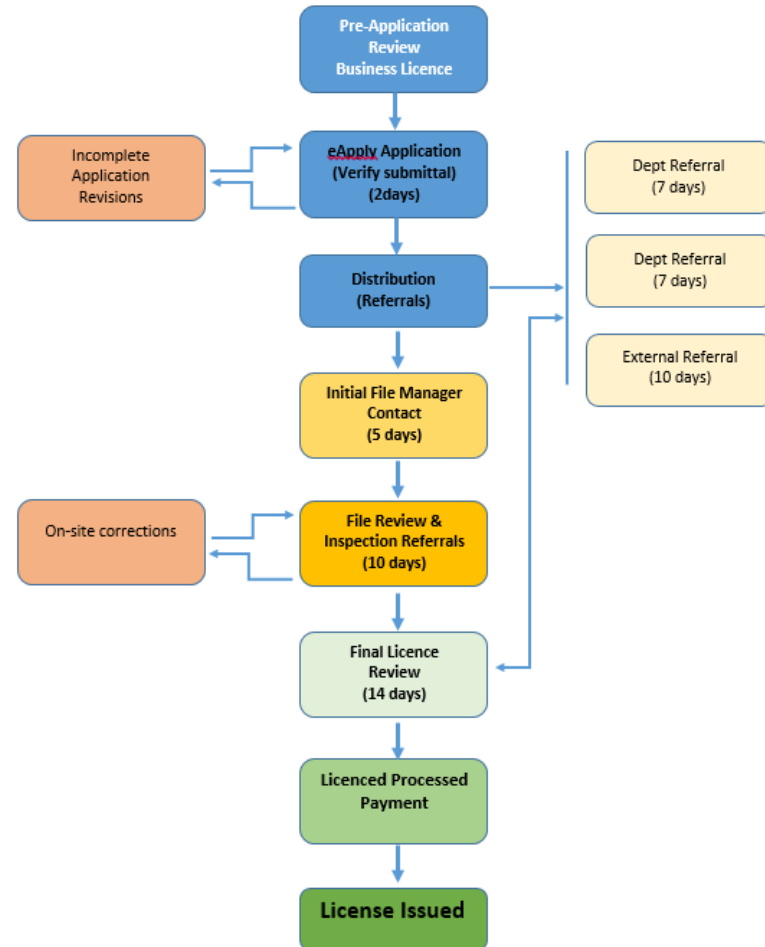
- Rewrite of Business Licence Bylaw and updating City webpage and policies
- Implement eApply application
- Improve online payment options

Result in

- Reduced licence review times, errors (liability) and non-renewed licences,
- Improved compliance, consistency and communication with building and business owners.



Protective Services Licensing



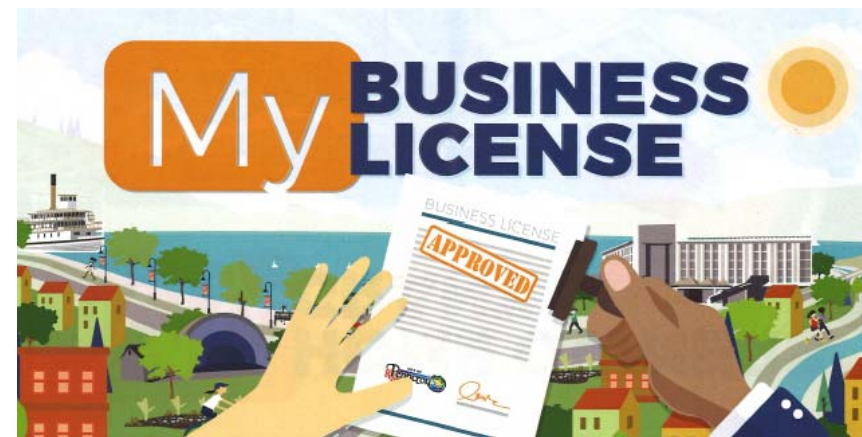
2018 Initiatives – Con't

Achieved by:

- Re-allocating staff resources with relief support to implement eApply and file management & reporting.
- Improvements to Business Licence Bylaw & Policy revisions
- Public and Business consultation

Desired Results

- 90% of Applications & payments on-line
 - 1 week review and site inspection
- Less than 14 day average licence approval



2018 Projections

Commercial, Industrial and multi-residential residential projects proposed in excess of \$60,000,000 in construction value.

Nearly 200 single family lots coming on line:

- The Ridge
- Panorama
- The Bluffs

Estimate 80 to 100 SFD starts
+/- \$40,000,000 const. value



Protective Services Building and Licensing



2018 Projections

- Strong renovation market for residential and commercial projects
- Proposed home owner education and compliance enforcement will result in a number of additional permits and permit renewals.
- New BC Building Codes (Sept 2018) – staff and development community training
- Increased licensing through economic growth, education and enforcement – Vacation Rentals



Protective Services Building and Licensing



BC Energy Step Code

A Best Practices Guide for
Local Governments



Version: 1.1 August 28, 2017

A publication of the Energy Step Code Council and the Building and Safety Standards Branch.



Staffing

Protective Services Building and Licensing

2017 2018

10.25* 10.25**

* Plan Checker position added Aug/17 – budget amendment.

** 2018 Relief staff for Special Modernization Projects not included.



2018 Highlights

Protective Services Building and License

	2018 Budget	% change	Trend
Total Revenue	-1,650,500		↓
Operational Expense	908,649		↑
Total Internal Allocation In	16,500		↓
Total Internal Allocation Out	<u>0</u>		→
Net Operating Surplus	-575,351	-62.76%	↓
Total Capital	0		→
Cost per Capita	-17.04		↑
% of Property Tax	-1.79%		↑



2018 Budget

Protective Services Building

Expenses	2017 Budget	2017 Forecast	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
Building - Revenues	-1,654,000	-1,780,500	-1,075,000	-1,074,200	-1,073,304	-1,072,302	-1,066,183
Salaries and Benefits	596,727	625,685	626,499	636,579	646,861	657,348	668,045
Bylaw Consultation	7,500	30,000	0	0	0	0	0
Remedial Action	15,000	15,000	25,000	25,500	26,010	26,530	27,061
Permit Modernization Project	0	0	150,000	0	0	0	0
Goods and Services	<u>2,850</u>	<u>3,600</u>	<u>28,650</u>	<u>29,215</u>	<u>29,791</u>	<u>29,979</u>	<u>30,579</u>
Net Operating Surplus	-1,031,923	-1,106,215	-244,851	-382,906	-370,642	-358,445	-340,499



2018 Budget

Protective Services Licensing

Expenses	2017 Budget	2017 Forecast	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
License - Revenues	-537,000	-568,000	-575,500	-581,800	-598,016	-607,672	-613,796
Salaries and Benefits	144,893	92,381	122,000	124,440	126,929	129,467	132,057
Goods and Services	1,500	1,500	1,500	1,530	1,561	1,592	1,624
Bylaw Consultation	3,500	1,000	5,000	0	0	0	0
Business Licensing Modernization Project	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Operating Surplus	-387,107	-473,119	-347,000	-455,830	-469,527	-476,613	-480,115



2018 Budget

Protective Services Building and Licensing

Expenses	2017 Budget	2017 Forecast	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
Building Operating Surplus	-1,031,923	-1,106,215	-244,851	-382,906	-370,642	-358,445	-340,499
Licensing Operating Surplus	-387,107	-473,119	-347,000	-455,830	-469,527	-476,613	-480,115
Total Internal Allocations In	<u>34,250</u>	<u>34,250</u>	<u>16,500</u>	<u>16,500</u>	<u>16,500</u>	<u>16,500</u>	<u>16,500</u>
Net Operating Surplus Combined	-1,384,780	-1,545,084	-575,351	-822,236	-823,669	-818,558	-804,114



Key Changes

Operating Activities

- Continuation of dedicated staffing levels – extend contract for Building Inspector position (Dec 2018)
- Recommendation to change in hours from 35 to 40 hours/wk (2018 only) to optimize inspectors performance, offset by reduction in overtime – net operating increase of \$35,000.
- Proposed Modernization projects for Building and Licensing: \$250,000.00
 - Re-allocating staff resources with relief support
 - Software improvements – eApply, Digital reviews and records management.
 - Bylaw and Policy redevelopment
 - Consultation and best practice research

Summary

- Overall net surplus revenue, will decrease over last year due to end of the Hospital permit applications (2016 & 2017 = \$200,000,000 CV).
- Service performance levels will increase with the:
 - continuation of dedicated staff positions,
 - efficiencies to our processes, and
 - improvements to permit/licensing software.
- More consistent long term net revenues & sustainable building stock.
 - Communication, education, and pro-active enforcement.



Questions

