



City of Richmond

Report to Committee

To: Planning Comm., JAN. 18, 2011

To: Planning Committee
From: Gavin Woo, P.Eng.
Acting Director, Building Approvals
Re: **Building Regulation Bylaw Fees Update**

Date: January 5, 2011

File:

Staff Recommendation

That the Building Regulation Bylaw 7230 Amendment Bylaw 8374, to introduce new permit fees and to revise the existing building permit fees, be introduced and given first, second, and third readings.

Gavin Woo, P.Eng.
Acting Director, Building Approvals
(604-276-4113)

FOR ORIGINATING DEPARTMENT USE ONLY					
ROUTED TO:	CONCURRENCE		CONCURRENCE OF GENERAL MANAGER		
Budgets	Y	<input checked="" type="checkbox"/> N			
REVIEWED BY TAG	YES	NO	REVIEWED BY CAO	YES	NO
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DEPUTY	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Staff Report

Origin

Staff have identified a need to introduce an update to some building fees to reflect recovery costs in line with the Long Term Financial Management Strategy. This report deals with proposed fee increases and new fees that are distinct from a CPI increase being brought forward by the Finance Department.

Findings Of Fact

The building permit fee for major projects in the Building Regulation Bylaw is based on the value of construction, the exception to this is fees for a one or two-family dwelling. The construction values per floor area for one and two-family dwellings are fixed in the bylaw and have not been increased since 2002.

Analysis

Proposed Revised Building Permit Fees

Based on a survey, the majority of municipalities use a declared current construction value. Surrey and Richmond are the only two municipalities that have specified fixed construction value fees for a one or two-family dwelling. The construction values per floor area for these buildings are fixed in the bylaw.

Richmond proposes the following fixed construction values for a one or two-family dwelling:

	<u>Present</u>	<u>Proposed</u>
New Construction of First Storey	\$75/ft ²	\$100/ft²
New Construction of Second Storey	\$67/ft ²	\$92/ft²
Garage	\$26/ft ²	\$51/ft²
Deck and Porches	\$17/ft ²	\$42/ft²
Interior Finishing on Existing House	\$22/ft ²	\$47/ft²
Additions	\$75/ft ²	\$100/ft²

The current construction cost to build a new single-family dwelling ranges from \$90/ft² to \$130/ft². Richmond's fixed construction value is well below true construction cost. This proposed change would be more in line with the cost to construct a one or two-family dwelling.

Staff also approached a couple of representatives from the small builders group who in turn consulted with their contacts and all came to an agreement that the proposed fixed construction values were reasonable.

It is also proposed to increase the fee for demolition permits from \$110 to \$400. This proposed change better reflects the actual recovery cost due to recent changes in procedure in processing demolition permits, which are more complex than in the past.

Proposed New Fee

Air Space Parcel subdivisions are being requested more frequently by the larger development projects in the city.

The creation of property lines within the building requires City staff to ensure the structure is in compliance with the BC Building Code. Consultants have repeatedly used "Alternative Solutions" as an approach to dealing with this matter, and this requires considerable staff time to review.

Because of the complex legal issues, staff must dedicate considerably more time when reviewing air space survey plans and building code compliance. A \$2,000 cost recovery fee for Air Space Parcel Alternative Solutions is proposed to recover City costs.

Financial Impact

Adoption of the proposed amendment bylaw will ensure that the fees noted in this report better reflect the costs incurred by the City of Richmond.

Conclusion

Adoption of the proposed Amendment Bylaw 8374 would initiate building department fee increases that would reflect the City's Long Term Financial Management Strategy and keep pace in areas where fees have been static for many years and in new areas of activity.



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Building Regulation Fees Amendment Bylaw

The Council of the City of Richmond enacts amendments to "Building Regulation Bylaw No. 7230, as follows:

1. By repealing B.2 and replacing it with the following:

B.2 Despite any other provision of this bylaw, the "Construction value" of a:

a) one-family dwelling or two-family dwelling, or

b) garage, deck, porch, interior finishing or addition to a one-family dwelling or two-family dwelling is deemed to be the following"

i. new construction of first storey	\$1076.40/m ² (\$100/ft ²)
ii. new construction of second storey	\$990.30/m ² (\$92/ft ²)
iii. garage	\$549.00/m ² (\$51/ft ²)
iv. decks or porches	\$452.10/m ² (\$42/ft ²)
v. interior finishing on existing buildings	\$505.90/m ² (\$47/ft ²)
vi. additions	\$1076.40/m ² (\$100/ft ²)

2. By repealing B.12 and replacing it with the following:

B.12 Building Demolition Inspection Fee

For each building over 50m ² in floor area	\$400.00
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3. By inserting the following directly after B.13(c):

(d) For Air Space Parcels (treating buildings as one building)	\$2,000.00
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4. This Bylaw is cited as "Building Regulation Bylaw No. 7230, Amendment Bylaw No. 8374".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept. <i>[Signature]</i>
APPROVED for legality by Solicitor <i>[Signature]</i>

MAYOR

CORPORATE OFFICER