



Columbia Shuswap Regional District

**BUILDING INSPECTION SERVICE
ELECTORAL AREAS B, C & E
BUSINESS CASE**

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INTRODUCTION

This *Business Case* explains the need for, and presents a complete outline of, a proposed building inspection service for Electoral Areas B, C and E of the Columbia Shuswap Regional District (CSR).

The document consists of three main chapters. Chapter 1 provides an overview of building inspection — what it is, why it is important, and where it is provided. The chapter also identifies and assesses alternatives to building inspection. The history of building inspection efforts in the CSR is reviewed, and the subject electoral areas are profiled. The need for a new building inspection service in the three areas is presented to close the chapter.

Chapter 2 outlines in detail the proposed new building inspection service. All key elements of the service are profiled, including:

- a description of the service
- the specific service area
- the types of development that would be subject to the service's requirements
- exemptions under the service
- building permit conditions
- the authority of the building inspector under the service
- building permit fees that would be charged
- the service's financial model

Chapter 3 deals with service establishment. Legislative requirements and options for bylaw approval are reviewed, and a suggested service start date is provided. The need for extensive community consultation is highlighted, and a consultation program is presented.

This *Business Case* was reviewed in draft form with CSR staff in July, 2016. Comments and direction from staff have been incorporated into this *Business Case* document for presentation to the CSR Board of Directors.

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CHAPTER 1 BUILDING INSPECTION

DEVELOPMENT

Development is an important activity across British Columbia. When managed properly, it can contribute to the economic prosperity of the host community, the surrounding region and the province as a whole. It can enrich communities in other ways as well, including through the construction of public infrastructure systems, the addition of community parkland, and the creation of other local amenities. The influx of new residents through development can enhance community diversity.

The development process relies on the efforts and contributions of both the private and public sectors. Developers, home builders and construction companies in the private sector bring ideas and capital required to develop the parcels, homes, and commercial buildings that, taken together, create the built environment.

Governments exist to establish the regulatory framework that sets out how and where development and construction can occur.

➤ Provincial Government

In British Columbia, governments at both the provincial and local levels have important roles to play in creating and enforcing the rules that govern the development process. The provincial government establishes laws, such as the *Local Government Act*, to authorize and/or require the establishment of land use plans and planning tools at the local level, as well as the establishment of local building inspection services and building regulations. The provincial government is responsible, as well, for establishing the *BC Building Code*, a technical document that sets out the requirements, standards and provisions to govern the construction, alteration, repair and demolition of all types of structures in British Columbia.¹ Public safety is the principal focus of the *Code*; also included in the document, however, are requirements for energy and water efficiency.

➤ Local Governments

Local governments regulate development in certain key ways. On the land use side, local governments formulate land use policies, bylaws and permit processes that together articulate the community's long-term goals, and guide development in ways to support the goals. The documents, which include official community plans, zoning bylaws, development permit areas, development cost charge bylaws and other tools, set out:

- the areas in which different types of development may and may not occur

¹ In BC, the *Code* does not apply to structures on certain lands owned by the federal government, or to structures on lands within the City of Vancouver. Vancouver has its own building code (which is very similar to the *BC Building Code*).



- various requirements related to densities, heights, setbacks, lot coverage and other features
- the processes, including public consultation, that developers must complete to obtain development approval
- the fees that must be paid to protect existing taxpayers from paying the full infrastructure and administrative costs associated with development

On the construction side, local governments exercise regulatory oversight through the establishment of local building inspection services, and, pursuant to these services, the adoption of building regulation bylaws. Building regulation bylaws are the vehicles through which local governments apply the rules, standards and provisions of the *BC Building Code*. Developers and others who wish to construct buildings in a jurisdiction covered by a building regulation bylaw must first apply for and obtain specific permits, the most important of which is a building permit. Local governments review application packages against land use and building requirements, issue permits to allow construction to begin, and undertake a series of on-site inspections of the permitted project during key stages of construction.

BUILDING INSPECTION IN BC

The *BC Building Code* applies throughout the province to promote and require safe construction in every community. The efficacy of the *Code*, however, is dependent on local government enforcement through the establishment of a building inspection service and building regulation bylaw. Local governments in British Columbia are not required to establish building inspection in order to enforce compliance to the *BC Building Code* and local government planning regulations — for regional districts and municipalities the authority to take action is permissive, not prescriptive. The vast majority of local governments across British Columbia, however, have elected to make use of the authority available. In the southern parts of the province where populations, growth rates and development activity are highest, local building inspection services are almost ubiquitous. Indeed, every regional district and that surrounds the CSR has put in place a building inspection service to implement the *BC Building Code*, including:

- Thompson Nicola Regional District
- North Okanagan Regional District
- Kootenay Boundary Regional District
- Central Kootenay Regional District
- East Kootenay Regional District
- Fraser-Fort George Regional District
- Cariboo Regional District
- Central Okanagan Regional District
- Squamish Lillooet Regional District
- Okanagan Similkameen Regional District
- Fraser Valley Regional District

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Within the CSRD itself building inspection is a feature in every member municipality, as well as in a portion of Electoral Area F. Building inspection is not at present provided, however, in any of the remaining electoral areas of the Regional District. This situation sets the CSRD apart from all surrounding regions, with the sole exception of the Regional District of Okanagan-Similkameen, where building inspection applies only in six of eight electoral areas. The situation, it is worth noting, sets CSRD apart as well from regional districts on Vancouver Island.²

BENEFITS OF BUILDING INSPECTION

The protection of public health and safety is the primary focus of building inspection services. Local governments undertake building inspection to ensure that the residential, commercial and public buildings that make up the built community meet the minimum construction standards set out in the *BC Building Code*. Buildings that comply with these standards are safe for their current and future occupants, and for the community around them.

Apart from health and safety, local governments use building inspection as a tool in the implementation of a community's land use policy. At the permit application stage where plan checking occurs, and during on-site inspections, local governments have opportunities to enforce regulations and requirements contained in zoning bylaws, OCPs (development permits) and other planning documents. Local governments without building inspection services lack these opportunities for enforcement early in the construction process. These local governments are forced to pursue enforcement actions after construction has been completed. Such "after-the-fact" enforcement is not considered effective.

The protection of health and safety, and compliance to land use policy, are strong reasons for having a building inspection service in place. Other benefits, however, may also be realized. Consider the following points:

- *Trigger for Other Permits* — A building inspection service allows local government plan checkers and inspectors to ensure that builders have obtained the necessary permits and approvals from other public agencies, such as BC Safety Authority (electrical and gas permits), Interior Health (septic systems), Ministry of Transportation (highway access permit) and BC's Homeowner Protection Office (home warranty and registered builder assurance). Builders are alerted to the need for these other approvals when applying for a building permit, and must show that all requirements have been met prior to buildings being occupied.
- *Measure to Promote Equitable Taxation* — Local property value taxes are the primary means by which local governments in British Columbia pay the costs of services provided to their communities. Property taxes are based on the

² Across Canada building inspection is identified in every province as a service that local governments may provide. In Ontario, building inspection must be provided.



assessed market value of individual parcels, as determined each year by BC Assessment. Assessed values change over time based on a number of factors, a key one of which is the degree to which properties are improved through the construction or re-development of structures.

BC Assessment relies on local government building and permit data to accurately build its annual assessment rolls. Assessment rolls that are based on accurate, up-to-date building data help to ensure that tax burdens are distributed equitably across service areas. Local governments with building inspection services are able to provide the data required by BC Assessment; local governments without building inspection are not.

- *Mechanism to Collect Other Charges* — In addition to property tax revenues, local governments rely on fees and charges to fund infrastructure and pay for specific services. Building inspection services provide a trigger and collection method for certain fees and charges that are tied to building permits (development cost charges are a prime example).
- *Opportunity to Provide Advice* — In many communities, prospective homebuilders and others will seek advice from local governments on construction standards, possible equivalencies, development requirements and other development-related matters. Local governments with a building inspection service in place are well positioned to provide such advice.
- *Provision of Information* — Local governments play an important role in collecting current and historical data and information that is used by a variety of public agencies and individuals. Development data are used by Statistics Canada, CMHC and other agencies to inform policy development and, in some cases, determine senior government payments to local authorities.

Individual property owners who construct buildings within a building inspection service framework would realize some additional benefits. A key one would relate to property insurance premiums. Buildings that have received building permits and that have been subjected to inspections at various stages of construction would qualify for lower insurance premiums that would otherwise be charged. Over the lifespan of the buildings, the savings from these reduced premiums would more than offset any building permit fees.

ALTERNATIVES TO BUILDING INSPECTION

Local governments that recognize the value of building inspection, but that are reluctant to introduce a full building inspection service, may seek out service alternatives. Three specific alternatives tend to be examined, including:

- regulation of construction through the Homeowner Protection Office
- home inspection services, retained at time of purchase



- development of a siting permit process (also referred to as "building inspection lite")

➤ **Homeowner Protection Office**

The Homeowner Protection Office (HPO) was created in 1998 following the Barrett Commission's investigation into the quality of condominium construction in BC. Under the *Homeowner Protection Act*, the HPO today is a branch of BC Housing that exists to provide basic consumer protection for buyers of new homes (single- and multi-family), and to improve the quality of all residential construction in the province.

Under the legislation, all builders of homes in the province must be licensed with the HPO. All new homes must also be protected by a home warranty program that is offered through a licensed insurance company (i.e., a home warranty provider). Compliance officers at the HPO are responsible for enforcing the agency's rules and regulations. These officers may enter construction sites at any time to ensure that all builders are licensed, and to inspect the work of the builders. The officers have the power to issue "compliance orders", which can be enforced by the courts. Home warranty providers may also undertake an on-site evaluation of specific (limited) construction aspects in order to minimize insurance risks. Home warranty providers undertake site visits, post construction, to investigate possible defects that are the subject of claims.

Some local governments have pointed to the HPO's consumer protection framework as a possible alternative to a local building inspection service. The HPO option, however, falls short in three important respects:

- The inspections undertaken by the compliance officers are not performed to ensure compliance to the *BC Building Code* or to local land use regulations. The inspections are performed, instead, to ensure that all builders on site are licensed with the HPO.
- The inspections undertaken by home warranty providers also do not test for compliance against the *Code* or local bylaws. The purpose of these inspections is to manage insurance risks and insurance losses.
- The HPO regulations cover residential buildings only. The regulations have no application to commercial, industrial, institutional or other types of construction.

It is worth noting that the HPO consumer protection framework was never conceived, and is not intended to serve, as an alternative to building inspection. The framework was instead designed to complement local government building inspection services. Section 30 of the *Homeowner Protection Act* refers to local government building permits. It instructs local governments to issue permits



only to licensed builders, and only for projects that are covered by home warranty insurance.

➤ **Home Inspection**

Home inspectors, who may be registered with the Home Inspectors Association of British Columbia, provide on-site inspections of new and existing homes for prospective buyers. Inspectors are concerned primarily with identifying significant maintenance and building issues that may require substantial investment, post-sale, to remedy. These inspectors perform inspections on finished products only, and thus are not able to confirm that the structures are in full compliance with the *BC Building Code*.³ Home inspectors are also not concerned with compliance to land use bylaws.

Many prospective home buyers feel that home inspectors play an important role in minimizing risk associated with home purchase. Home inspectors, however, are not intended to replace the work of local government building inspectors.

➤ **Siting Permits**

A local government building inspection service consists of two fundamental parts: plan checking and inspection. Plan checking is the process through which local government plan checkers review building permit applications to ensure compliance, on paper, with local government land use regulations, including siting, lot coverage, setbacks, height and any applicable development permit area requirements. Plan checking also allows staff to assess compliance, on paper, with the construction standards in the *BC Building Code*. Applications that have taken into account all land use and *Building Code* requirements are approved; building permits are issued for these applications.

Inspections are undertaken on permitted projects at various stages of the construction cycle. Inspections allow building inspectors to assess *actual* compliance, on the ground, with local bylaws and the *Building Code*.

A siting permit service focuses on the plan checking component of building inspection, and either eliminates or significantly reduces the inspection component. All new construction is required to apply for and obtain a siting permit to ensure compliance, on paper, with local land use bylaws and *Building Code* requirements. Actual inspections to confirm compliance at various stages of construction, however, are either not required at all or are curtailed.

Siting permits do offer the promise of greater compliance with local planning requirements and with construction standards. The approach is not, however, effective at ensuring a high degree of *actual* compliance, particularly in cases where on-site inspections are eliminated altogether. The ability of the approach

³ Not all home inspectors would be qualified, in any event, to assess compliance to the *Building Code*.



to protect public health and safety, and to support the local community's land use goals, is questionable.

Another concern relates to the authority of local governments to establish siting permit programs. In BC, explicit authority for a planning-focused version of the approach is provided under the *Islands Trust Act*, but only for the Islands Trust. Regional districts do have the same explicit authority at present.

The CSRD examined the possibility of a siting permit service in 2011. A framework based on the 2011 idea was developed in 2014 to regulate construction in all electoral areas outside of the Business Improvement Association portion of Electoral Area F. Under the proposed framework, single- and two-family buildings were to apply for "building declaration and siting permits" through a process that relied heavily on plan checking, and that minimized — and in some cases eliminated — on-site inspections. The new approach was never implemented by the CSRD. Concerns over liability and duty of care responsibilities forced the Regional District to abandon the initiative.

BUILDING INSPECTION IN THE CSRD

In the CSRD, building inspection exists — and has for some time existed — as an important local government service in every member municipality. In the Regional District's electoral areas, the situation is somewhat different. Building inspection for the electoral areas has been a topic of discussion and some debate in the CSRD since the establishment of the Regional District in 1965. In 1966, the CSRD Board of Directors put in place a building inspection service throughout all electoral areas. This service, implemented through *CSRD Building Bylaw No. 6, 1966*, was short-lived — eighteen months after its adoption it was repealed. From 1968 through 1975, a reduced building service without scheduled on-site inspections was created for portions of Electoral Area B only. In 1975, this service was expanded through *CSRD Building Regulatory Bylaw No. 85* to include portions of Electoral Area E.

Bylaw 85 was amended by *Columbia-Shuswap Building Regulatory (Amendment) Bylaw, No 129* in 1977 to provide for seven inspections and the requirement for an occupancy permit. A further amendment was made in 1978 (*Bylaw 266*) to impose a time limit on building permits, and to include provisions for the revocation of permits. *Bylaw 487* in 1984 introduced new building permit fees, including fee minimums. The service area, limited to portion of Electoral Areas B and E, remained unchanged over these years.

Bylaw 85 was the regulatory bylaw through which the Regional District carried out its authority to regulate construction. In early 1990, *Bylaw 85* was replaced by two separate bylaws, namely *Building Inspection Extended Service Area Establishment Bylaw No. 570*, and *CSRD Building and Plumbing Bylaw No. 580*. *Bylaw 570* was introduced as the establishing bylaw for the building inspection service. The bylaw defined the service, set out the service area (unchanged), and outlined cost recovery for the service. *Bylaw 580* became the building regulatory bylaw through which

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building inspection was applied. Eight on-site inspections were prescribed in *Bylaw 580* for all types of structures (i.e., residential, commercial and other).

In late 1991, *Bylaw 580* was replaced by *CSR (Area B) Building and Plumbing Bylaw No. 595*, and *CSR (Area E) Building and Plumbing Bylaw No. 600*. As the titles suggest, *Bylaw 595* took the provisions of *Bylaw 580* and applied them within the serviced areas of Electoral Area B only. *Bylaw 600* did the same for the serviced areas of Electoral Area E.

Changes to the service establishing bylaw (*Bylaw 570*) and the building regulatory bylaws (*Bylaw 595* and *Bylaw 600*) occurred over the following ten years. The service area expanded to include portions of Electoral Area F, then contracted to eliminate the original portions of Areas B and E. By 2001, building inspection in the non-municipal areas of the CSR applied only in the portions within Area F, as outlined under *CSR Building Regulatory Bylaw, No. 630*, which remains in effect today.

ELECTORAL AREAS B, C AND E

➤ **Electoral area B**

Electoral Area B (Revelstoke Rural) is a vast area geographically, but is also the smallest of the CSR's six electoral areas in terms of population with fewer than 600 residents. Figure 1.1 gives a sense of Area B's size and location within the CSR. There are seven distinct communities within Area B, including:

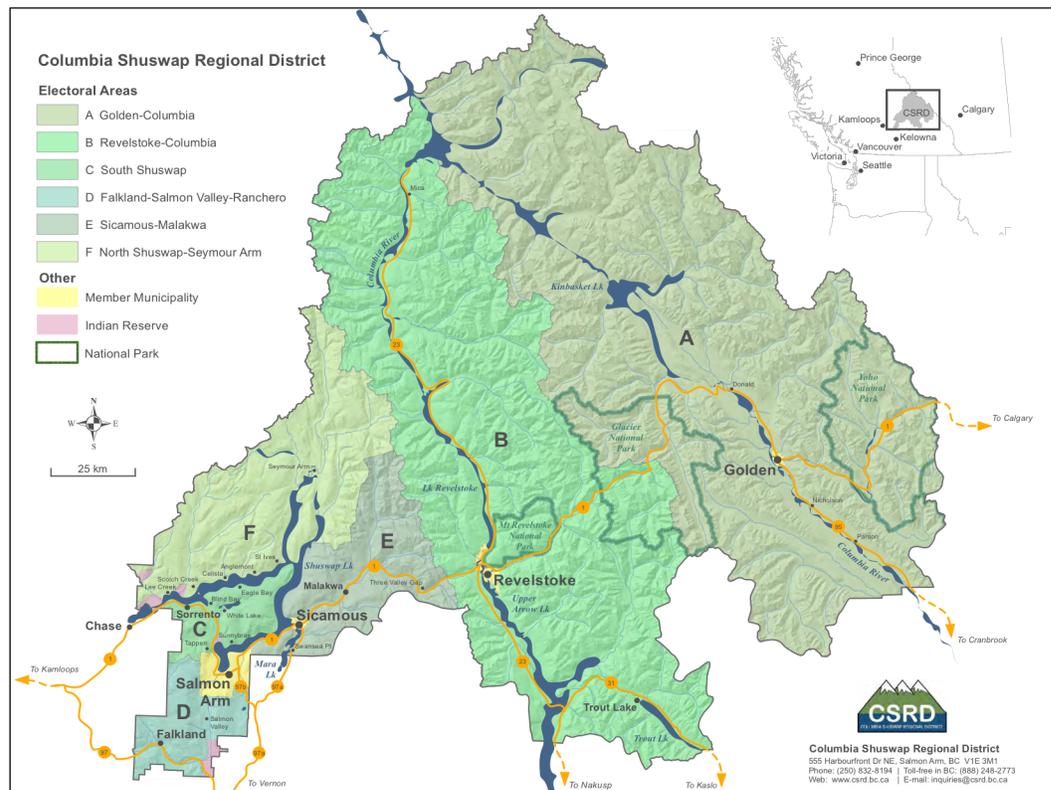
- South Revelstoke
- Begbie Bench
- West Trans-Canada Highway
- Lake Revelstoke (Mica Creek and Downie Loop)
- Arrow Lakes (Galena Bay, Beaton, Shelter Bay and Arrowhead)
- Trout Lake
- East Revelstoke (Canyon Hot Springs and Greeley)

In the 1970s and 1980s, the Area underwent a series of sharp population fluctuations associated with the construction of the Revelstoke and Mica Dams. Since that time, however, both the Electoral Area and the City of Revelstoke have experienced net population losses. In the coming years this trend is expected to be reversed in the City and in the surrounding community of South Revelstoke thanks to the ongoing development Revelstoke Mountain Resort.

This potential for development is one of the driving factors behind the current interest in a building inspection service. Another is the desire to explore development opportunities on Lake Revelstoke and at Trout Lake. The need to ensure that all development respects sensitive ecosystems is a third factor. The Electoral Area B *Official Community Plan*, created with the community in 2014, identifies the re-introduction of building inspection as a strategic action to be pursued in the short term for the Electoral Area as a whole.



Figure 1.1
CSRD Electoral Areas and Member Municipalities



► **Electoral Area C**

Measured in square kilometres, Electoral Area C (South Shuswap) is the smallest of the Regional Districts unincorporated areas. In terms of population, however, it is the largest with close to 8,000 full-time residents. Area C is located just to north of the City of Salmon Arm on Shuswap Lake (see Figure 1.1). The main community in Area C is Sorrento, which is also the designated Village Centre in the *Area C Official Community Plan*. Other local communities include:

- Blind Bay
- Eagle Bay
- White Lake
- Sunnybrae
- Tappen

Electoral Area C has invested heavily in the development of a local planning framework. The Area's 2015 OCP sets out a clear vision for the Area's communities, based on principles of sustainability and protection of Shuswap Lake. Development permit areas, shoreline setback regulations, zoning

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restrictions and other planning tools are put in place to ensure that new development enhances the natural environment.

Future growth, while less intensive than in the nearby Okanagan Valley, is anticipated to occur at a moderate level over the next twenty years. A diversity of housing types and commercial units is encouraged. Development is to be concentrated primarily in Sorrento (Village Centre) and only then in the other local communities (Secondary Centres). New development throughout the area is to be serviced by proper water and sewer systems.

With the exception of the eighteen-month period from late 1966 to early 1968, there has never been a building regulation bylaw or building inspection service in Electoral Area C. Throughout the years, however, debate over the merits of a local building inspection service has occurred with some frequency. Debate has been strong in the past decade in response to a number of factors, including:

- increased development pressure along the lakeshore and within Sorrento and Blind Bay
- growing concerns about the impact of unregulated development on Shuswap Lake's water quality, shoreline ecosystems and recreational value
- an increase in regulatory violations, unintentional and intentional, in the development of lots that are subject to setback, height, lot coverage, density and other planning restrictions

➤ **Electoral Area E**

Electoral Area E is situated between the Cities of Salmon Arm and Revelstoke along Highway 1. The District of Sicamous is located at the western edge of the Area. The year-round population of 1,300 is concentrated in the Eagle Valley, which includes the unincorporated community of Malakwa. Swansea, a community in the southwest of the Area on Mara Lake, is a largely-seasonal residential centre.

Electoral Area E has not experienced, and does not anticipate, development pressures similar to those in Area C. Similar to Area C, however, Electoral Area E is intent on ensuring that all future growth occur in ways that respect and, where possible, enhance the natural environment. The Electoral Area E *Official Community Plan (Proposed)* identifies a number of development permit areas to protect sensitive ecosystems. Other planning tools are identified to ensure that development supports community characteristics and planning goals. Building inspection is anticipated as a key tool to help the community realize its goals, and to promote building safety.

➤ **Building Inspection**

Each of the three electoral areas has its own specific reasons for considering building inspection. Common to all of the jurisdictions, however, is the desire to



ensure that new development respects and supports each community's local planning goals. These goals, which include strong protection for local ecosystems and community character, have been developed through local planning processes in which residents have invested considerable resources, including time, energy and money.

A building inspection service that combines an on-site inspection schedule with pre-construction plan checking offers an effective way for the CSR to ensure that new development conforms to local planning goals. Plan checking is important for ensuring that building plans take into account all planning rules and regulations. It is also important for ensuring that builders have obtained the range of permits and approvals from other government agencies, such as Interior Health. Plan checking on its own, however, is not enough to prevent violations from occurring. On-site inspections are needed to ensure that actual on-the-ground development respects local and other requirements that exist to protect the natural environment and the community character, as well as other key planning principles. On-site inspections also ensure conformity to the health, safety and environmental requirements of the *BC Building Code*.

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CHAPTER 2 PROPOSED SERVICE

This chapter provides an outline of the proposed building inspection service for Electoral Areas B, C and E. All key elements of the service are identified and explained in detail, including:

- service definition
- service area
- types of development
- permit exemptions
- service stages
- permit conditions
- authority of building inspector
- permit fees
- service financial model

SERVICE DEFINITION

The service would be identified as *Sub-Regional Building Inspection (Electoral Areas B, C and E)*. It would be established to regulate all construction that occurs within the service area. The term "construction" includes:

- construction of a new structure
- demolition of an existing structure
- excavation of a building site
- significant alteration to an existing structure
- significant repair to an existing structure
- changes to the use or occupancy of an existing building
- relocation of an existing building
- installation of plumbing fixtures
- alterations that affect a venting or sewerage system
- installation of a solid fuel appliance or chimney
- installation of a factory-built or manufactured building

Under the terms of the proposed service, each person who wishes to undertake construction within the service area must apply for and receive a building and, in most cases, plumbing permit before commencing the construction.⁴

SERVICE AREA

The service would apply throughout all of Electoral Areas B, C and E. Unlike the existing building inspection service in Area F, the proposed service would not be limited in application to specific portions of each electoral area.

⁴ Some projects are exempt from the requirement for a permit. See "Exemptions".



TYPES OF DEVELOPMENT

Construction for all types of development would be regulated under the proposed service, including:

- single family residential (including seasonal)
- multi-family residential (all types, including duplexes)
- commercial
- industrial
- institutional

PERMIT EXEMPTIONS

Construction that meets specific conditions set out in the *Building Regulation Bylaw* would not require permits under the service. In general, exemptions include construction projects that are relatively modest in nature and value, that are related to farming, and that do not pose risk to human health and safety. In specific terms, exemptions are set out as follows:

- any single-storey accessory building with gross floor area of under 10.0 m² that is situated in a way that, in the opinion of the building inspector, does not create a hazard
- farm buildings designed for "low human occupancy" as defined by the *National Farm Building Code of Canada*, on a parcel of land that is assessed by BC Assessment as an agricultural operation
- non-structural repairs or alternations that do not exceed \$10,000 in value, and that do not create bedrooms or some other sleeping accommodation
- unenclosed, non-roofed sun decks, patio decks or balconies that are less than 0.609 m at any point from the adjacent finished ground elevation
- repairs to, minor alterations to, or servicing of the plumbing system or fixtures that do not affect the venting or sewerage system
- retaining walls with a retention height of fewer than 1.5 m that do not support a vertical or horizontal load imposed by a building or adjacent parking area
- construction that is identified in section 1.1.1.1(2) of the *BC Building Code* (e.g., temporary structures, utility poles and towers, and public infrastructure systems)

SERVICE STAGES

The proposed building inspection service would consist of three stages: permit application stage; plan checking stage; and building inspection stage.

➤ Permit Application

To begin the construction approval process, the applicant would submit a complete application permit for a building permit and, if necessary, a plumbing permit. For all types of development, the package would include:

- a description of the intended use or uses of the structure

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- a statement of the true value of the proposed work
- two sets of architectural drawings for the proposed structure (sealed by a Registered Professional if required by the Building Inspector)
- two copies of the site plan to identify proposed siting of structure relative to setbacks, watercourses, septic systems, flood plain requirements, highway access and other features
- a survey certificate prepared by a registered BC Land Surveyor to confirm proposed building site
- for single- and multi-family residential structures, a builder's license or home owner's statutory declaration as provided by the Home Protection Office
- a completed Contaminated Site Profile, if required under the *Waste Management Act*
- a Qualified Environmental Professional Report, if required under the *Riparian Areas Regulation*
- evidence of a water source (if required by the Building Inspector),
- Interior Health acceptance filing to address sewage
- specifications of proposed heating and ventilation systems
- roof and floor truss layouts, certificates and pre-engineered beam certificates, as applicable (Building Code Schedule B1 and B2 for engineered trusses)
- Building Code schedules B1 and B2 for structural engineering (sealed and signed drawings to be included for non-residential structures and, if required by the Building Inspector, for residential structures)
- current parcel title and copies of registered covenants, easements or rights-of-way

Additional items could be required by the Building Inspector in any specific case.

➤ **Plan Checking**

Upon receipt, each complete permit application would be reviewed for compliance to local zoning bylaws, development permit area requirements and other planning regulations. Building setbacks, heights, lot coverage and other features would be confirmed at this stage. The application would also be reviewed against the requirements of the *BC Building Code* to ensure that all health and safety needs are addressed. Plan checking is the process, as well, during which it is confirmed that the required approvals from other public agencies (e.g., Interior Health) have been obtained.

Once all concerns identified through the plan checking stage have been addressed by the applicant, a building permit (and, if necessary, a plumbing permit) is issued.

➤ **Building Inspection**

Building inspections would be conducted on-site at pre-determined points in the construction process. The number of inspections is important to establish. In



general, the greater the number of inspections the greater the ability of the local government to ensure full compliance to all planning and building requirements, and to take immediate corrective action where compliance is not achieved. Local governments that require a high number of inspections, however, incur additional service costs and risk losing the support of property owners who may need to use the service.

Under the existing Electoral Area F Building Inspection service, the CSR requires three (3) inspections in all cases, plus an additional inspection in cases involving the installation of a fireplace, woodstove or chimney. In the Regional District of Nanaimo, by contrast, up to twelve (12) inspections are required in some cases. In the City of Salmon Arm, seven (7) inspections are required, plus an additional inspection for a fireplace, and an occupancy permit.

For the purposes of this *Draft Business Case*, two options are considered:

- *Option 1* — Three inspections, plus a fourth in cases involving the installation of a fireplace, woodstove or chimney (this option is in place for the Area F service). The three standard inspections would occur at:
 - footing construction stage (before concrete)
 - framing construction stage (before drywall)
 - completion stage

- *Option 2* — Six inspections, plus a seventh in cases involving the installation of a fireplace, woodstove or chimney. The six standard inspections would occur at:
 - footing construction stage (before concrete)
 - installation of perimeter drainage pipe and drain rock (prior to backfilling)
 - installation of building drain, sanitary or storm sewer and plumbing system (prior to backfilling)
 - framing construction stage (before drywall)
 - insulation, vapour barrier and air barrier stage
 - completion stage

BUILDING PERMIT CONDITIONS

The key condition attached to a building permit concerns the expiration of the permit. In all cases once a permit has been issued, construction must begin within six (6) months from the date of issuance, and cannot be discontinued or suspended for a period of more than six (6) months. These conditions are standard across local governments.



Also standard is the requirement for construction to be completed within a set time period. In the case of the existing Area F service, the time period is three (3) years; the same period is proposed for the Area B, C and E service.

Permits are considered expired in cases where applicants fail to meet any of these conditions. Refunds are not provided; new permits are required to re-start construction.

AUTHORITY OF BUILDING INSPECTOR

To allow for the effective enforcement of building and planning requirements, the Building Inspector must be given specific authorities, including the authority to:

- withhold permits in cases where an application does not comply, or appear to comply, with the *BC Building Code* or the relevant CSRD planning regulations, or in cases where professional certification (if required) has not been provided
- revoke a permit in cases where an application was based on incorrect information
- enter onto properties for the purpose of enforcing regulations
- issue an order to correct construction
- issue a Stop Work Notice
- order work to be uncovered to determine compliance
- order work to be tested to ensure compliance with standards
- require the owner to register a Section 219 covenant (*Land Titles Act*) for geotechnical purposes

BUILDING PERMIT FEES

The fees proposed for the building and plumbing permits are consistent with those currently in place for the Area F Building Inspection service, as outlined in *CSRD Building Regulation Bylaw No. 630*.⁵ Three types of fees are payable on each application:

- application fee
- permit fee, which is based on the value of construction
- special permit fees for specific items such as demolitions, moving a building, a change of occupancy and other cases

The application and special permit fees would be the same as those in place for Area F. The building permit fees, however, would differ based on the number of inspections required (see Option 1 and Option 2 under "Building Inspection" earlier).

⁵ Fees in this *Business Case* are based on the fees being charged by the CSRD in Area F. As an alternative to this approach, fees could be structured to provide adequate cost recovery for all service costs, or for certain costs incurred under the service (e.g., variable costs, similar to the approach taken by the Regional District of Nanaimo).



In the existing Area F service, base building permit fees for all structure types (e.g., single family, multi-family, commercial, etc.) are set at:

- \$72 for first \$1,000 of construction value⁶
- \$7.20 for each additional \$1,000 of value, up to \$100,000
- \$6.00 for each additional \$1,000 of value over \$100,000

For a structure with a construction value of \$200,000, the total building permit fee is \$1,385. This fee allows for three inspections; the additional inspection for a fireplace (if required) costs an additional \$72.

Option 1, identified earlier under "Building Inspections", would require three standard inspections under the proposed Area B, C and E service, and would thus match the existing Area F service. For this option, the building permit fees would be the same as those in place in Area F. For Option 2, which would require six standard inspections, the proposed fees would be set at:

- Option 1 fees (equal to the existing Area F fees), plus
- \$648 flat fee for the additional inspections required under Option 2

The \$648 add-on is based on the existing "special inspection" fee of \$216 per inspection, as identified in the current *Building Regulation Bylaw No. 630*. For a structure with a construction value of \$200,000, the building permit fee under Option 2 would total \$2,033.

FINANCIAL MODEL

The financial model for the service takes into account the costs anticipated to operate the service, and the revenues expected to be generated. All inputs have been determined using information from the current Building Inspection service in Area F, and from the DRAFT *Building Permit Service Framework Report* conducted for the CSRD in 2014. Inputs have also been informed by the CSRD's 2015 and 2016 *Five Year Financial Plans*, which include actual cost and revenue numbers from key years.

Figure 2.1 outlines the anticipated costs and revenues of the service in 2018 (the service would take effect on January 1, 2018). For both costs and revenues, two service options are profiled: Option 1, which includes three (3) inspections, and Option 2, which features six (6) inspections.

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⁶ Construction values are determined based on average values outlined in Schedule C of *Building Regulation Bylaw No. 630*.



**Figure 2.1
Service Costs and Revenues (2018)**

| Service Costs | Option 1 | Option 2 |
|---|-----------------|-----------------|
| CSR Administration | 28,300 | 41,300 |
| Salaries and Benefits (Inspectors) | 216,000 | 324,000 |
| Service Administration (Portion Area F) | 21,600 | 21,600 |
| Training | 5,000 | 7,500 |
| Travel | 10,000 | 15,000 |
| Other | 9,500 | 14,250 |
| Total | 290,400 | 423,650 |
| | | |
| Service Revenues | Option 1 | Option 2 |
| Permits | 162,600 | 294,800 |
| Tax Requisition | 127,800 | 128,850 |
| Surplus | - | - |
| Other | - | - |
| Total | 290,400 | 423,650 |

➤ **Service Costs**

As indicated in Figure 2.1, the major cost item would be staffing. The numbers assume a staffing complement of two (2) or three (3) inspectors, depending on the number of inspections required under the service. If Option 1 were chosen, two building inspectors would be required. This option, as noted earlier, would require three inspections per building permit, which is the same number as that required under the existing service in Area F. If Option 2 were chosen, three inspectors would be needed. This option would require six inspections per permit.

The inspectors associated with each option, it is important to note, would be hired in addition to the existing Building Inspector who is dedicated to the Area F service. The need for additional inspectors under the two options is based on the following points and assumptions:

- The Area F Building Inspector is presently the sole building inspector employed by the CSR. The Inspector's time in 2014 was allocated among tasks as follows:
 - 40% on inspections
 - 20% on plan checking
 - 40% on service administration duties

Time spent by the Inspector answering general questions and providing information on building requirements is incorporated into these figures.



- Development activity in the proposed service area (Electoral Areas B, C and E) is anticipated to be greater than that in Area F, possibly three times greater under both options. Most activity, it is expected, would occur in Area C, followed by Area B surrounding Revelstoke.
- Under Option 1 with three inspections per permit, two inspectors would be expected to be sufficient provided they could allocate their time as follows:
 - 60% on inspections
 - 30% on plan checking
 - 10% on administration
- Under Option 2 with six inspections per permit, a third additional inspector would be needed to assist in carrying out the workload. The general time allocation for all three inspectors would break down as:
 - 70% on inspections
 - 20% on plan checking
 - 10% on administration

The three additional inspections would double the number of total inspections required per permit. The time required to conduct the extra inspections, however, would not double the overall workload for the building inspection team dedicated to the service. Under this option, the estimated number of permits would not change, and nor, therefore, would the amount of time required for plan checking. Only the time required for inspections would change.

The other cost entries in Figure 2.1 are determined as follows:

- *CSRD Administration* — The "administration" charge accounts for the CSRD overhead and administration fee allocated across all CSRD services. The same percentage (10.8%) charged to Area F is charged to the proposed new service (total expenses before administration) under each option.
- *Service Administration* — The proposed Inspectors associated with the new service area under both options would be required to spend some time on general administration and related duties; however, most service administration could be handled along with and supervision duties by the existing Inspector. Fifty percent of the existing Inspector's administrative time (20% of the Inspector's overall time) would need to be accounted for in the new service's budget under both options.

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- *Training, Travel, Other* — Training, travel and other expenses are based on the existing Area F service estimates for 2018, but have been adjusted to account for two inspectors under Option 1, and three inspectors under Option 2.

In earlier discussions on the option of building inspection, decision makers at the CSR had noted that, in the absence of a building inspection service, bylaw enforcement officers were being forced to spend a consider amount of time acting on planning bylaw infractions related to building setbacks, development permit area restrictions, density issues and other matters. It was expected that a building inspection service that required building permits, and that combined plan checking and on-site inspections, would lower the demands on bylaw enforcement staff, possibly to the point of being able to realize savings in staffing costs.

In Board workshop discussions around the development of the CSR's *2016 Financial Plan*, the possibility that a new building inspection service could generate savings in bylaw enforcement was raised again. It was determined, however, that the existing staffing complement in bylaw enforcement was already stretched beyond capacity and unable to attend to all service needs. Any new capacity generated for the bylaw enforcement officers by the introduction of a new building inspection service would be helpful in allowing the offers to meet existing demands. No savings, therefore, would be anticipated.

➤ **Revenues**

The revenues identified in Figure 2.1 are based on the following assumptions:

- Service costs would be funded using a combination of building permit fee revenues and property value tax revenues. This approach mirrors that taken by the CSR for the existing Electoral Area F. It also reflects the view that the health, safety, economic, environmental and other benefits of a building inspection service extend beyond the individual user of the service (i.e., the building permit applicant) to include other property owners in the service area, and the broader community. Individual users of the service pay through permit fees; the broader community contributes through the property value tax.
- Building permit fees would be charged using the same fee schedule that is in place under CSR *Building Regulation Bylaw No. 630* for the existing Area F building inspection service (the rates contained in the bylaw were outlined earlier).
- Total permit revenue for Option 1 takes the average of the past two years' (2014-2015) of permit fee revenues (\$54,200) and multiplies by three, for a total of \$162,600, to reflect higher anticipated development



volumes. This approach assumes that average permit fee values for individual permits in the different areas would be comparable.

- Total fee revenue for Option 2 uses the base from Option 1 and adds revenues associated with three additional inspections per permit. The total number of additional inspections is estimated as follows:
 - average annual number of building permit applications — 68 — in Area F in past two years (June, 2014 to June, 2016) multiplied by three for a total of 204 permits
 - three additional inspections for each building permit, for a total of 612 additional inspections

Each additional inspection would be charged \$216, as identified under *Bylaw 630*. Total additional revenues under Option 2 would be approximately \$132,200.⁷

- Tax revenues would need to be raised to make up the remaining funds required to balance the service budget. As indicated in Figure 2.1, total taxes of \$127,800 would need to be raised in 2018 for Option 1, \$128,850 for Option 2. These revenues would be raised by through a service tax on all properties across the three participating electoral areas, using the total converted assessment base for the three areas, as indicated in Figure 2.2:

Figure 2.2
Service Area Assessment Base

| Electoral Area | Converted Assessment (2016) |
|----------------|-----------------------------|
| B | 45,012,718 |
| C | 220,377,725 |
| E | 47,334,289 |
| Total | 312,724,732 |

For a residential property, the tax rate applied under Option 1 would be 0.0409; under Option 2 the rate would be 0.0412. Figure 2.3 shows what these rates would mean in terms of annual payments for the a range of sample residential properties:

⁷ This number, it is important to note, assumes that all building permits in Area F and in the new service area would be full residential or commercial construction projects, and would require all inspections.



Figure 2.3
Residential Tax Impacts — Both Options

| Property Assessment* | Option 1 | | Option 2 | |
|----------------------|----------|-------------|----------|-------------|
| | Tax Rate | Tax Payment | Tax Rate | Tax Payment |
| \$200,000 | 0.0409 | \$8.18 | 0.0412 | \$8.24 |
| \$250,000 | 0.0409 | \$10.23 | 0.0412 | \$10.30 |
| \$300,000 | 0.0409 | \$12.27 | 0.0412 | \$12.36 |

* land and improvements included

➤ **Variations on Financial Model**

The financial model presented in this *Business Case* is based on specific service delivery, service cost and cost recovery assumptions. Changes to the assumptions would result in different cost and revenue figures, as well as different tax impacts. A delivery model that made use of contracted municipal staff from Revelstoke and/or Salmon Arm, for example, would produce different total costs and different revenue needs. A policy decision to require the service to be funded entirely by permit fee revenues would change (eliminate) the property tax impact identified in Figure 2.3.



CHAPTER 3 SERVICE ESTABLISHMENT

This chapter outlines the steps to be taken, and key issues to be considered, in establishing the proposed building inspection service.

SERVICE ESTABLISHING BYLAW

Most local government services — building inspection is an example — that are developed and provided by a regional district must be formally created using a regional district establishing bylaw.⁸ The CSR would need to create a service establishing bylaw for the new building inspection service in Electoral Areas B, C and E. The new bylaw would need, at a minimum, to:⁹

- describe the service (i.e., building inspection regulatory service)
- define the boundaries of the service area
- identify Electoral Areas B, C and E as the three participating electoral areas
- identify the method of cost recovery for the service (i.e., permit fees and property value taxes levied against total assessed values)

Since building inspection is considered a regulatory service, the CSR would not be required to indicate in the establishing bylaw the maximum tax requisition for the service. *Appendix I* presents a draft *Sub-Regional Building Inspection (Electoral Areas B, C and E) Service Establishing Bylaw*.

► Approval of Establishing Bylaw

Adoption of a new building inspection establishing bylaw would need to be approved by each participating electoral area. Approval could be obtained directly by electors in each of the areas through referendum. Alternatively, approval could be obtained by having each of the Electoral Area Directors for Areas B, C and E give written consent to the bylaw on behalf of his or her area.¹⁰ This consent method is available to the CSR because building inspection is a regulatory service.

Community involvement in decision-making is a hallmark of local governance in British Columbia and in electoral areas in particular. The requirement in the *Local Government Act* for elector assent over certain decisions speaks to the importance of citizens in the governing process. The legislation recognizes that persons who are directly affected by such decisions, and who would in many cases be required to pay for the services established by such decisions, should have a direct role in approving the decisions. Referendums, in many cases, may be the appropriate mechanism to use.

⁸ Section 339(1) of *Local Government Act*.

⁹ Section 339 of *Local Government Act*.

¹⁰ Section 347 of *Local Government Act*.



The *Local Government Act* also recognizes, however, that referendums are not well-suited to every local government decision. Decisions to regulate the actions of individuals through the establishment of regulatory services such as building inspection are good examples. Regulatory services such as building inspection have important health, safety, economic, environmental and other benefits that are important to the broader community. The broader public interest in these cases outweighs the interests and rights individual property owners who may not wish to obtain building permits, pay permit fees, or schedule inspections.

The importance of regulatory services such as building inspection to the broader community is recognized in the *Local Government Act* under the sections that deal with methods of approval. The *Act* allows local governments to establish these types of services without elector assent because the services are in the interest of the community as a whole.

It is important to note that the *Act* does not eliminate the need for approval altogether. The Electoral Area Directors of each participating area must give explicit consent to the decision on behalf of their areas. These officials are elected by, and are directly accountable to, their local electors. The *Act* also requires the Province's Inspector of Municipalities to approve the local government's decision to establish a regulatory service. This requirement provides an additional safeguard.

In all, it would be anticipated that some electors in Areas B, C and E would expect the CSR to seek elector assent through referendum for any new building inspection service. It is suggested, however, that the Board exercise its authority to obtain approval from the Electoral Area Directors on behalf of the participating areas.

BUILDING REGULATION BYLAW

Once a service establishing bylaw had been approved and adopted, the CSR Board would need to amend *Building Regulation Bylaw No. 630* to include Electoral Areas B, C and E in Schedule A of the bylaw (Schedule A identifies the portions of the Regional District in which *Bylaw 630* applies). At present, Schedule A includes only the Business Improvement Area portion of Electoral Area F.

Schedule G of *Bylaw 630* sets out the inspections that are required at specific points in the construction process. This schedule would have to be amended in the event that the Board chose to proceed with Option 2 of the proposed new service (Option 2 requires six standard inspections).

Section 9 of *Bylaw 630* speaks to the fees required for building permits; the specific fees are presented in Schedule C. Fees associated with the service would need to be reviewed and possibly revised on a regular basis (e.g., every two years). In an effort



to simplify regular fee changes, the Board should consider placing all fee requirements in a separate (new) *CSR Building Regulation Fees and Charges Bylaw*. If this suggestion were supported, *Bylaw 630* would be amended to remove Section 9 and Schedule C altogether. *Appendix II* presents the necessary amendments to *Bylaw 630*. *Appendix III* presents a *Draft CSR Building Regulation Fees and Charges Bylaw*.

Amendments to *Bylaw 630*, and the introduction of a new fees and charges bylaw, could be approved by the Board alone. No additional approvals would need to be obtained from the electors, the Electoral Area Directors on behalf of their areas, or the Inspector of Municipalities.

PROPOSED START DATE

If this *Business Case* is endorsed and a new building inspection service for Electoral Areas B, C and E is supported, the Board will need to determine when to bring the new service into effect. In determining a start date, it will be important for the Board to provide ample time for:

- extensive community consultation
- the CSR Administration to put in place the administrative infrastructure, including staffing, to operate the service
- the full approval process for the service establishing bylaw, including the review and sign-off by the Inspector of Municipalities
- the amendment of *CSR Bylaw 630*
- the development and approval of a new *Fees and Regulation Bylaw* for building regulation

Figure 3.1 proposes a service development timeline that accommodates all of these needs. It prepares the Electoral Areas, Board and Administration for a start date of January, 2018. Implementation in January, 2018 — an entirely achievable date — would put the service in place well before the November, 2018 local government elections. If the Board anticipates that complications could arise to force a delay in implementation beyond January, 2018, the Board should consider postponing action

**Figure 31
Proposed Timeline**

| Steps Leading to Start Date | 2016 | 2017 | | | | 2018 |
|-------------------------------|------|--------|--------|--------|------|--------|
| | Fall | Winter | Spring | Summer | Fall | Winter |
| 1. Board Endorsement | █ | | | | | |
| 2. Consultation Program | | █ | | | | |
| 3. Community Consultation | | █ | █ | █ | | |
| 4. Administrative Preparation | | | | █ | █ | |
| 5. Board Approval of Bylaws | | | | | █ | |
| 6. Start Date | | | | | | ✓ |



until later in 2019.¹¹ No such complications, however, are anticipated at this time.

COMMUNITY CONSULTATION PROGRAM

The introduction of any new local service by a regional district should be preceded by a robust consultation program that provides meaningful opportunities for stakeholders to understand the purpose and structure of the proposed service, and to give input to decision-makers on the service. The need for such a program would be particularly strong in the case of the proposed building inspection service for Electoral Areas B, C and E. Building inspection has been a topic of discussion and debate in the CSRD for many years. Any service initiative that proposed to regulate development activity in the areas and impose a new tax on property owners would generate the demand for additional discussion and input.

A detailed consultation program would be developed for the service if the CSRD Board determined, based on the final *Business Case*, to proceed with the service initiative. The program would include the following provisions:

- *Stakeholders Identification* — The CSRD would identify all distinct stakeholder groups, including the development community, environmental associations, planning advisory bodies, ratepayer groups, and the broader community as a whole. Issues anticipated to be important to the various groups would be identified; responses to the address the issues would be crafted.
- *Written Materials* — A variety of written materials would be produced to provide an overview of the proposed service, to outline service and tax impacts, and to address a set of frequently asked questions. Materials would be customized, where possible, for individual stakeholder groups. All materials would be distributed in hard copy throughout the proposed service area, and would be available for download on-line.
- *On-line Presence* — The CSRD would establish a dedicated website (or section of the existing CSRD site) to distribute information on the proposal, and to allow for on-line input.
- *Information Open Houses* — A set of information open houses would be held throughout the affected communities. Each event would feature a set of poster boards that attendees could review at their own pace. CSRD staff and elected officials would be present to engage community members, address questions, and record feedback. Each event would also feature a formal presentation on the proposed service. Attendees would be given the opportunity to ask questions following the presentation. Summaries of all questions and the responses to them would be provided on line for all to review.

¹¹ The inability to hire building inspectors would be an example of a complication.



- *Small-group Meetings* — CSRD staff and elected officials would make themselves available to meet with individual stakeholder groups to address specific questions and concerns. Summaries of all such meetings and their outcomes would be shared on line.
- *Reports to Electoral Area Directors Committee and Board* — Staff would provide regular updates on the service initiative to the EAD Committee and the Board.

The consultation program would be extended over a three-to-five month period, as suggested in Figure 3.1.

NEXT STEPS

This *Business Case* will be presented to the CSRD Board of Directors at its regular meeting on October 20, 2016. At that meeting or the following, the Board will need to determine whether to endorse the proposal for a new Sub-Regional Building Inspection Service (Electoral Areas B, C and E), and direct staff accordingly.

➤ **Choice Between Options 1 and 2**

If the Board elects to establish a new service, the Board will need to decide between Option 1 with its three standard inspections per permit, and Option 2 with its requirement for six inspections. As noted earlier in the text, it is generally the case in building inspection that the greater the number of inspections required, the greater the ability of the local government to ensure full compliance to all planning and building requirements, and to take immediate corrective action where compliance is not achieved. This statement would favour the endorsement of Option 2. The outline of the service financial model, which revealed essentially no difference between the options in terms of impact on local taxpayers, would also point to Option 2 as the preferred model.

It was also noted earlier, however, that local governments which require a high number of inspections risk losing the support of property owners who may need to use the service. This caution is particularly germane in Electoral Areas B, C and E where the concept of local government building inspection has been controversial in past discussions. It is worth remembering, as well, that the existing Area F building inspection service requires only three inspections. Finally, it is important to highlight that while the cost impact on taxpayers would be no higher under Option 2, the direct cost to property owners who use the service would be.

The Board may wish to defer any choice between the options until after it has consulted the affected communities. Alternatively, the Board may wish to propose a phased-in approach to implementation that would proceed as follows:



- Introduction on January 1, 2018, of a new Sub-Regional Building Inspection Service (Electoral Areas B, C and E) that includes the requirement for three standard inspections per permit (i.e., Option 1)
- Operation under the three-inspection service for a period of two years
- Amendment of the new service in year three (2020) to include requirement for six standard inspections

This proposed phased approach could be presented to the affected communities as part of the consultation effort identified in Figure 3.1. The approach could also be considered for application to the existing Area F service in order to provide for parity between the services.

➤ **Consultation Program**

Once the Board has selected its preferred approach, staff will need to begin work on developing the appropriate consultation strategy using as guidance the points identified earlier in this chapter. Accompanying materials will also need to be prepared, including advertising.

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**APPENDIX I
SUB-REGIONAL BUILDING INSPECTION SERVICE
(ELECTORAL AREAS B, C & E) ESTABLISHING BYLAW**

Figure AI.1 presents a draft service establishing bylaw for the proposed new Sub-Regional Building Inspection Service (Electoral Areas B, C and E).

**Figure AI.1
Columbia Shuswap Regional District
Bylaw No. ____**

A bylaw to establish a Building Inspection service in Electoral Areas B, C and E.

WHEREAS a regional district may, by bylaw, establish a service under Part 10 of the *Local Government Act* that the Board considers is necessary or desirable for all or part of its community;

AND WHEREAS the Board wishes to establish the service of building inspection in a portion of the regional district that consists of Electoral Areas B, C and E;

AND WHEREAS the Board has obtained approval for the service from the participating Electoral Areas in the form of written consent provided by each of the Electoral Area's Electoral Area Director, pursuant to section 347(2) of the *Local Government Act*;

NOW THEREFORE the Board of the Columbia Shuswap Regional District in open meeting assembled enacts as follows:

1. The Service being established and to be operated is Building Inspection.
2. The Service Area consists of the whole of Electoral Areas B, C and E, as described in Schedule A of this bylaw.
3. Electoral Areas B, C and E are the participating areas for this Service.
4. The annual operating costs for the Service shall be recovered by:
 - 4.1. The imposition of fees and other charges set by separate bylaw; and
 - 4.2. The requisition of money to be collected as a property value tax levied against the assessed value of land and improvements, in accordance with section 388(1)(a) of the *Local Government Act*.
5. This bylaw may be cited as "Sub-Regional Building Inspection Service (Electoral Areas B, C and E) Establishing Bylaw, No. ____."

READ a first time this ____ day of _____, 2017.

READ a second time this ____ day of _____, 2017.

READ a third time this ____ day of _____, 2017.



APPROVED by the Inspector of Municipalities this ____ day of _____, 2017.
RECONSIDERED AND ADOPTED this ____ day of _____, 2017.

CONSENT

I, the undersigned director of Electoral Area B of the Columbia Shuswap Regional District, hereby consent to "Sub-Regional Building Inspection Service (Electoral Areas B, C and E) Establishing Bylaw, No. ____."

Electoral Area B Director

Date

I, the undersigned director of Electoral Area C of the Columbia Shuswap Regional District, hereby consent to "Sub-Regional Building Inspection Service (Electoral Areas B, C and E) Establishing Bylaw, No. ____."

Electoral Area C Director

Date

I, the undersigned director of Electoral Area E of the Columbia Shuswap Regional District, hereby consent to "Sub-Regional Building Inspection Service (Electoral Areas B, C and E) Establishing Bylaw, No. ____."

Electoral Area E Director

Date

SCHEDULE A PARTICIPATING AREAS

(Included in this Schedule are maps that show the whole of Areas B, C and E.)

**BUILDING
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APPENDIX I

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APPENDIX II AMENDMENTS TO BUILDING REGULATION BYLAW

The *Columbia Shuswap Regional District Building Regulation Bylaw No. 630, 2008* is the tool in place today at the CSR to enforce the provisions of the *BC Building Code*, and to set out requirements that builders of all new construction projects must meet in order to receive all permits necessary. At present, *Bylaw 630* applies only to the CSR's building inspection service in the Business Improvement Area of Electoral Area F. As well, *Bylaw 630* sets out a requirement for three standard inspections only (explained in detail in Schedule G). Finally, *Bylaw 630* includes as Schedule C all permit fees and construction valuation information.

If the CSR Board of Directors chooses to establish a new Sub-Regional Building Inspection Service (Electoral Areas B, C and E), as set out in this *Business Case*, *Bylaw 630* will need to be amended to apply the provisions of the bylaw across the whole of Areas B, C and E. An additional change would be needed to *Bylaw 630* in the event that the Board endorsed Option 2 with six standard inspections. Finally, it is recommended to remove the fee schedule from *Bylaw 630* and place it in a separate bylaw (see *Appendix III*).

Figure All.1 sets out the proposed amendment bylaw. The changes in the Figure assume a new service with three standard inspections, as set out in Option 1 in *Business Case*. Amendments to the inspection requirements in Schedule G of *Bylaw 630* are not included in Figure All.1.

Figure All.1
Columbia Shuswap Regional District
Bylaw No. _____

WHEREAS the "Columbia Shuswap Regional District Sub-Regional Building Inspection Service (Electoral Areas B, C and E) Bylaw, 2017" provides that the Regional District may provide building inspection service to Electoral Areas B, C and E;

AND WHEREAS the Regional District wishes to amend the "Columbia Shuswap Regional District Regulation Bylaw, No. 630, 2008";

NOW THEREFORE the Board of the Columbia Shuswap Regional District in open meeting assembled enacts as follows:

1. "Columbia Shuswap Regional District Regulation Bylaw, No. 630, 2008" is amended as follows:

- 1.1. Subsection 1.1 is repealed and replaced with the following:

"1.1 This Bylaw is enacted under the authority of Part 9 of the *Local Government Act*."



1.2 Schedule A is repealed and replaced with Schedule A attached to this bylaw.

1.3 Subsection 6.4.3 is repealed and replaced with the following:

"6.4.3 The applicant for a Permit has paid to the Regional District the fee or fees prescribed in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto."

1.4 Schedule C is repealed.

1.5 Subsection 6.7.1(g) is repealed and replaced with the following:

"6.7.1(g) where an inspection, additional to those required by this Bylaw, is required due to incorrect work, contravention, incomplete work or inaccessibility at the time of inspection, the Owner shall pay an additional re-inspection fee prescribed in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto."

1.6 Subsection 8.5 is repealed and replaced with the following:

"8.5 Where a re-inspection of an inspection stage is required due to a contravention of the Building Code, this Bylaw or any other bylaw or enactment, or the construction was incomplete at the time of the scheduled inspection, a recall inspection fee as set out in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto, shall be paid prior to the re-inspection."

1.7 Subsections 9.1, 9.2, 9.5 and 9.8 are repealed and replaced with the following:

"9.1 The fees for issuance of a Permit under this Bylaw shall be in accordance with Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto."

"9.2 Each Permit application shall include a non-refundable application fee as prescribed in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017'. The non-refundable application fee shall be credited toward the final Permit fees due at issuance of the Permit provided no changes to the application documentation are made prior to issuance."

"9.5 The Permit fees shall be calculated based on the building valuation rates prescribed in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto."

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"9.8 Where the Building Code or Building Inspector requires that a Registered Professional undertake the design and complete a field review of the construction work and provides the applicable Building Code Schedules, the Permit fee as calculated under Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' shall be reduced by twenty (20%) percent."

1.8 Subsection 11.5 is repealed and replaced with the following:

"11.5 The fee for a Temporary Building Permit or renewal shall be as required in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto."

1.9 Subsection 18.4 is repealed and replaced with the following:

"18.4 Without limiting the foregoing in any manner, if any construction for which a Permit is required under this Bylaw has been commenced prior to the issuance of the Permit, the applicant shall pay to the Regional District the applicable Permit fee(s) as prescribed in Schedule A of the 'Columbia Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017' and amendments thereto, and in addition to the applicable fee, a penalty equivalent to the fee upon issuance of the Permit.

2. This bylaw may be cited for all purposes as the "Columbia Shuswap Regional District Building Regulation Bylaw Amendment Bylaw, No. ____, 2017".

READ a first time this ____ day of _____, 2017.
READ a second time this ____ day of _____, 2017.
READ a third time this ____ day of _____, 2017.
RECONSIDERED AND ADOPTED this ____ day of _____, 2017.

SCHEDULE A BUILDING REGULATION AREA MAPS

(Included in this Schedule is the existing map for the Business Improvement Area of Electoral Area F, plus maps that show the whole of Areas B, C and E.)

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APPENDIX III BUILDING REGULATION FEES AND CHARGES BYLAW

In the Business Case it is proposed to separate the building regulation fees and charges from the *Building Regulation Bylaw, No. 630* in order to simply future amendments to fees and charges collected by the Regional District. Figure AIII.1 presents in draft form a bylaw that could to achieve this separation.

Figure AIII.1
Columbia Shuswap Regional District
Bylaw No. ____

WHEREAS the Columbia Shuswap Regional District wishes to impose fees and charges in connection with the administration of "Building Regulation Bylaw No. ____, 2017;

NOW THEREFORE the Board of the Columbia Shuswap Regional District in open meeting assembled enacts as follows:

Interpretation

1. Words and phrases defined in this bylaw shall have the same meaning as in the "Columbia Shuswap Regional District Building Regulations Bylaw, No. ____, 2017".

Permit and Other Fees

2. An applicant for a Permit must pay to the Regional District the fee or fees prescribed in Schedule A of this bylaw.
3. A person must pay to the Regional District any other fee or fees prescribed in Schedule A of this bylaw in connection with any other activity referred to in the Schedule.

Citation

4. This bylaw may be cited for all purposes as the "Columbia Shuswap Regional District Building Regulation Fees and Charges Bylaw, No. ____, 2017".

READ a first time this ____ day of _____, 2017.
READ a second time this ____ day of _____, 2017.
READ a third time this ____ day of _____, 2017.
RECONSIDERED AND ADOPTED this ____ day of _____, 2017.

SCHEDULE A PERMIT FEES AND VALUATION SCHEDULE

(This Schedule is comprised of Schedule C, in its entirety and without change, from the existing Building Regulation Bylaw, No. 630.)

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APPENDIX III

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