

Bylaw 17935

Text Amendment to Zoning Bylaw 12800 to implement a new process for Development Permit Inspections

Purpose

To introduce a new process to Zoning Bylaw 12800 that will require Development Permit Inspections for new construction.

Readings

Bylaw 17935 is ready for three readings after the public hearing has been held. If Council wishes to give three readings during a single meeting, Council must unanimously agree "That Bylaw 17935 be considered for third reading."

Advertising and Signing

This Bylaw has been advertised in the Edmonton Journal on Friday, March 24, 2017, and Saturday, April 1, 2017. The Bylaw can be passed following third reading.

Position of Administration

Administration supports this Bylaw.

Previous Council/Committee Action

At the December 7, 2016, Urban Planning Committee meeting, the following motion was passed:

That Administration prepare amendments to Zoning Bylaw 12800 as outlined in Attachment 3 of the December 7, 2016, Sustainable Development report CR_4111, and return to a future City Council Public Hearing.

Report

Background

Administration has identified challenges related to monitoring and ensuring compliance for new developments, as well as the handling and management of landscaping securities.

Development Compliance

Historically and currently, new developments are not routinely inspected for the purpose of ensuring compliance with their approved Development Permit; inspections only occur when Administration receives a complaint.

As a result, problems are generally not identified until a development is completed (or possibly years later) and the options for resolving compliance issues may be limited, time consuming, and costly. A timely inspection process is needed to prevent such situations from occurring, and to ensure that developments are completed in accordance with their approved Development Permit.

Landscaping Securities

A Landscaping Security is financial bond that ensures compliance with the landscaping component of a Development Permit. There are two reasons for obtaining a Landscaping Security:

1. to ensure that an applicant will fulfill their obligation to landscape a development in accordance with the approved Development Permit (the City will use the funds to provide the landscaping if the applicant does not)
2. to ensure that the required landscaping will be properly maintained, nurtured and will survive. This “maintenance period” lasts two years

The security is currently collected prior to the issuance of a Development Permit. An inspection is performed after the two year maintenance period to verify that landscaping has been completed in accordance with the approved Development Permit and is in a healthy state before the security is released. In response to awareness about the growing number and amount of securities being held by the City, Administration requested the Office of the City Auditor to assist in evaluating the management of this process.

The 2014 Landscape Securities Audit report (CR_1609) identified that current practices are inefficient in managing and returning landscape securities to applicants. The current process for landscape securities:

- encourages applicants to minimize cost estimates
- allows inflation to reduce value of securities held by the City
- holds applicant's finances throughout the development process
- is inconsistent in program management, including a lack of enforcement

The report recommended that a program be implemented to address non-current securities, and to introduce a new process to resolve issues with landscaping securities. A summary of the current landscaping securities process, and an update on the Landscape Securities Audit Report can be found in Attachment 2.

Development Permit Inspections

To resolve these issues, Administration has developed an inspection and securities management process called Development Permit Inspections (previously referenced as Development Completion Permits).

The intent of the Development Permit Inspection process is to:

- reduce the number, size, and length of time that landscaping securities are held by the City
- improve timelines for the inspection and release of landscaping securities to applicants
- reduce the number of complaints the City receives regarding non-compliant developments
- proactively resolve issues of non-compliance regarding Development Permits
- facilitate responsible development practices

The Development Permit Inspection process will achieve these goals by:

1. ensuring that an inspection occurs prior to occupancy
2. delaying the collection of landscaping securities until the time of inspection

Performing a landscape inspection near the time of occupancy will allow applicants the opportunity to complete their landscaping and avoid the submission of a substantial security to the City. If the landscaping is completed at the time of the inspection, the only security that will be required is that for the two year maintenance period.

Development Permit Inspections will be required for the following:

- Commercial Uses
- Industrial Uses
- Basic Service Uses
- Community, Educational, Recreational and Cultural Service Uses
- Apartment Housing, Row Housing, Stacked Row Housing and Multi-unit Project Developments
- Single Detached Housing, Semi-detached Housing, Duplex Housing, and Garden Suites within the Mature Neighbourhood Overlay (no landscaping securities will be required; only inspection for the purpose of development compliance)

Development Permit Inspections will be performed prior to development completion. Inspections will occur at the request of the applicant or will be automatically scheduled to coincide with the final occupancy inspection. It should be noted that a Development Permit Inspection is not a requirement of, or conditional to, the Occupancy Permit as Occupancy Permits are issued under the jurisdiction of the *Safety Codes Act*, rather than Zoning Bylaw 12800.

The amendments contained in this report were developed through consultation with industry stakeholders and an analysis of the current landscaping securities process. Additional detail on the Development Permit Inspection process can be found in Attachment 3, and the Mark-up of Proposed Amendments are outlined in Attachment 4.

Cost to Applicants

The fee for the inspection service will be:

- \$500 for commercial, industrial and residential multi-unit project developments
- \$200 for infill related low-density residential developments

If more than two inspections are required for a site, an additional inspection fee will be charged to the applicant. These fees contribute to cost recovery for the Development Permit Inspection process while minimizing the financial impact to applicants.

Program Launch

The Development Permit Inspection process will be introduced as a requirement for applicable Development Permit applications on June 1, 2017. Applications approved

prior to June 1, 2017, that require landscaping securities will follow the existing process and be required to submit a landscaping security prior to the issuance of the Development Permit. In these cases, a landscaping inspection will occur after the required two year maintenance period.

Summary

The proposed Development Permit Inspection process will:

- ensure that inspections for the purpose of Development Permit compliance are performed prior to occupancy
- proactively address compliance issues before a development is completed
- resolve issues with the current landscaping securities management process

Policy

Bylaw 17935 supports the following policies in the *The Way We Grow*, Edmonton's Municipal Development Plan:

- 4.2.1.1 Support neighbourhood revitalization, redevelopment and residential infill that contributes to the livability of established neighbourhoods.
- 3.5.1.1 Support redevelopment and residential infill that contribute to the livability and adaptability of established neighbourhoods (see Map 1: Land Development Concept) and which are sensitive to existing development.

Corporate Outcomes

This report contributes to the outcomes “Edmonton is attractive and compact” and “Edmonton is an Environmentally sustainable and resilient city” as it will facilitate more efficient use of resources through a reduction in landscaping securities required for development in the City, and encourage the responsible development of new buildings and associated landscaping.

Public Consultation

The proposed Development Completion Inspection process was informed by industry consultation. Five industry workshops (three for major developments, and two for infill residential developments) were conducted in May 2016. These workshops were advertised through the Canadian Home Builders' Association - Edmonton Region and the Urban Development Institute - Edmonton Region with 42 industry representatives attending.

This project was also presented to members of the Edmonton Federation of Community Leagues in a special Planning Committee meeting on June 22, 2016.

During the Fall of 2016, a draft of the proposed Development Permit Inspection process and amendments to Zoning Bylaw 12800 were circulated to internal and external stakeholders. Feedback received from stakeholders was considered and integrated into a revised draft amendment presented at the December 7, 2016, Urban Planning Committee meeting. Following the December 7, 2016, Urban Planning Committee

meeting, draft regulations were again circulated to internal and external stakeholders, and the subsequent feedback was incorporated into a revised draft amendment as outlined in Attachment 4.

Attachments

1. Bylaw 17935
2. Landscaping Securities: Current Practice and Update on Securities Clean-up
3. Summary of Development Permit Inspection Process
4. Mark-up of Proposed Amendments to Zoning Bylaw 12800