

Development Permit Inspection - Annual Report 2018 Results

Recommendation

That the May 7, 2019, Urban Form and Corporate Strategic Development report CR_4715, be received for information.

Executive Summary

The Development Permit Inspection and Landscaping program improves development oversight through proactive permit inspections and stronger management of landscape securities to protect the value of an applicant's security as securities are held for a number of years. Inflationary pressure increases costs and any work undertaken by the City may be underfunded. This program supports the delivery of compliant development and promotes new development by freeing up capital held as securities.

In 2018, the program completed 509 initial development permit inspections for Development Permit Inspection program. Under the Landscaping program, \$12,660,435 was released in securities held by the City for landscaping inspections.

Report

A landscape security is a deposit that the City collects from an applicant to ensure that landscaping is installed and maintained in accordance with the approved plans. When landscaping is not complete, the City may hire a contractor to complete the work using the security to cover the cost.

The 2014 City Auditor's Landscape Securities report found that the City held 1,140 landscape securities, of which 308 were outstanding from 2007 and earlier, with a value of \$5,948,972. The City Auditor recommended that landscaping work be completed within six to seven years before the City should take any action, such as hiring a contractor to complete the work. In response to this recommendation, Administration created a process in 2015 to facilitate the completion of overdue landscaping work. A security is returned to the security provider if they complete the work voluntarily, or is used to complete the required landscaping if the City hires a contractor to complete the work.

On June 1, 2017, the Development Permit Inspection and Landscaping Program was officially launched to improve the management of landscape securities, landscaping,

and development compliance. Administration undertook its first Development Permit Inspection in February 2018.

The Development Permit Inspection area focuses on proactive inspections as a method of early detection of development compliance and works with applicants to achieve compliance with the issued Development Permit and Zoning Bylaw 12800. The Landscaping area of the team focuses on managing landscaping securities and installations. As of December 31, 2018, the City held 214 securities that were past the recommended timeline for compliance. These securities are prioritized for review and action in the coming years.

Program Implementation

Landscape Inspections

Major Development Permits require an inspection to ensure landscaping is installed as per the approved plan. Landscaping is typically the last element of construction and inspections are scheduled after the development is completed.

Administration realizes efficiencies and cost savings by grouping multiple sites in a procurement package for tender when Administration has to hire contractors to complete the landscaping work. Refer to Attachment 1 for a map of the Landscape Inspections Process.

In 2018, a total of 1,709 landscape inspections were completed, resulting in the release of 402 securities and return of \$12,660,435 to the security provider. Administration also received 25 new landscape securities with a value of \$1,543,101. In addition, three procurement packages representing 52 sites were successfully completed, releasing \$247,996 of held securities. Administration anticipates the successful completion of two additional procurement packages in the 2019 season, representing 120 sites.

Since 2015, approximately \$47,127,457 in securities have been returned to the security provider, 193 sites have been part of a procurement package and of those sites, 57 have been completed.

Development Permit Inspections

A Development Permit Inspection confirms that new construction is completed according to an approved Development Permit. Development Permit Inspections examine the site and building exterior for compliance with elements such as elevations, parking, window placement, and projections.

Focusing on an educational approach, Administration works with applicants to identify solutions and resolve issues of non-compliance. This practice successfully achieves compliance through verbal and written warnings. Additional tools, such as Violation

Notices, Municipal Government Act Orders, and/or Tickets, are exercised as needed to escalate compliance in situations of failed inspections. As of December 31, 2018, Administration has issued 69 written notices to comply, 34 Violation Notices and one Municipal Government Act Order.

In 2018, 509 initial inspections occurred with the following key indicators:

- 90 percent of inspections were Low-Density Residential Infill properties
- 20 percent of initial inspections failed
- 66 percent of the initial failed inspections are now in compliance with the Edmonton Zoning Bylaw 12800

Refer to Attachment 2 Development Permit Inspection and Landscaping Program Results for details.

In order to proactively address compliance issues, Administration prioritizes inspections where an Occupancy Permit, as per the Alberta Safety Codes Act, has been issued. After a development is finished, options for compliance may be limited, time-consuming, and costly. This practice has led to 80 percent of inspections being completed prior to issuance of building occupancy. In addition, it is expected that working with applicants of failed inspections will help decrease the number of future complaints to the Infill Compliance teams.

Next Steps

Administration is working towards increased program capability and utilizing the resources of multiple programs, such as the Infill Compliance team. Specific to landscaping inspections and securities, efficiencies through cross-training with other inspection teams will be explored. Within the Development Permit Inspection program, efforts have begun to establish a notification system that will provide an alert when a site is ready for an inspection. This system will increase efficiencies in coordinating inspections. Implementation began February 2019.

Administration also plans to increase consultation with external stakeholders to better understand the impact of development on adjacent properties and explore opportunities for program enhancement. Administration will collaborate with the Infill Compliance team to increase efficiency and productivity across both programs.

Corporate Outcome(s): Edmonton is attractive and compact			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Edmonton is attractive and is an environmentally sustainable and resilient city.	Reduce the size, and length of time the landscape securities are held.	851 landscape securities held for a value of \$42,186,910.	TBD (Q4, 2019)
	Improved management of the landscape securities program.	0 sites began procurement. \$247,996 was paid out to contractors in 2018.	12 sites procured (Q4, 2019) with value of \$739,508 (procurement package 7).
Effective and efficient service delivery: internal processes are effective	Ensuring a Development Permit Inspection is undertaken prior to occupancy.	80% completed prior to a building having occupancy (2018)	70% completed prior to occupancy
	Reduce the number of non-current Landscape Securities held by the City.	308	296 (Q4, 2019)

Attachments

1. Landscape Inspections Process Map
2. Development Permit Inspection and Landscaping Program Results

Others Reviewing this Report

- R. Kits, Acting Deputy City Manager, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- B. Andriachuk, City Solicitor, Law Branch
- R. Smyth, Deputy City Manager, Citizen Services