

**TO:** ACTING MUNICIPAL MANAGER                      **DATE:** 1992 01 29  
**FROM:** DIRECTOR ENGINEERING                      **FILE:** 10-02-04  
**SUBJECT:** AMENDMENT TO BUILDING BYLAW #6333  
**PURPOSE:** To recommend an increase in damage deposit and inspection fees.

---

**RECOMMENDATION:**

1. THAT Council direct the Municipal Solicitor to prepare an amendment to Building Bylaw #6333 relating to damage deposit and inspection fees as outlined in this report.

**REPORT**

**1.0 BACKGROUND**

The Municipality collects damage deposit and various inspection fees prior to issuance of a building permit.

The damage deposit is taken to defray any potential repair costs which may be incurred as a result of damage to Municipal property during construction by the permit holder (eg. broken sidewalks, utility service disruptions, street light pole damage, etc.). The damage deposit is a refundable amount in circumstances where no damage occurs.

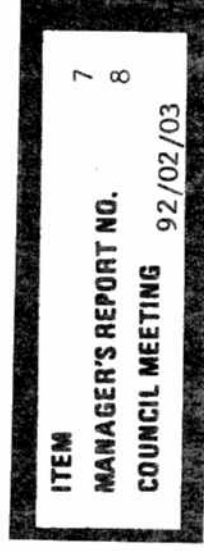
The Engineering Department performs site inspections prior to the issuance of a building permit and upon completion of construction to determine the condition of the Municipal property. A non-refundable site inspection fee is levied for these inspections.

The damage deposits and site inspection fees have not been amended since 1978 and do not reflect current costs. This report recommends adjustment to the damage deposits and site inspection fees.

**2.0 DAMAGE DEPOSIT**

On 1978 May 08, Council approved amendments to Building Bylaw #6333 which included provision to collect a \$200 damage deposit.

Amendment to Building Bylaw #6333  
1992 January 29



117

When damage occurs, permit holders are invoiced for the cost of repairs. In the event of non-payment the cost is deducted from the damage deposit.

A review of the expenditures to repair construction damage show that the \$200 damage deposit is insufficient to cover the average cost of repair. When this occurs the Municipality must resort to legal means to recover the costs. The mean cost per repair for 1991 was approximately \$700 for those accounts forwarded to the Solicitor for collection. This results in considerable expense to the Municipality to recover these costs.

Staff surveyed a number of the Lower Mainland municipalities to review damage deposits and inspection fees charged by others (a copy of this survey is attached for information). A review of these deposits shows that Burnaby currently collects the lowest damage deposit of the municipalities surveyed.

Based on our survey we recommend that Building Bylaw #6333 be amended to include the following damage deposit fees and provisions:

- a) for construction of single or two family residential home, a cash deposit of \$1,000;
- b) for construction of property with any other zoning designation, a cash deposit of \$1,000 for the first 15 meters of frontage and \$30 per linear meter of frontage thereafter;
- c) for demolition of a single or two family residential a cash deposit of \$500;
- d) for demolition of buildings on properties with any other zoning designation, cash deposit of \$1,000 for the first 15 meters of frontage and \$30 per linear meter of frontage thereafter;
- e) the Director Engineering may reduce or waive the requirement for a damage deposit and inspection fee when he is satisfied that there is no potential for damage to Municipal property.

The deposit or remaining balance would be refundable after payment of any repair costs due.

### **3.0 INSPECTION FEES**

In the 1978 report, Council approved inspection fees to offset the cost to perform the site inspections. The inspection fees have not been increased since implemented and the staff review indicates they should increase to reflect the cost of performing these inspections. Therefore, staff recommends that Building Bylaw #6333 be amended to reflect the following inspection fees related to damage deposits.

Amendment to Building Bylaw #6333  
1992 January 29

ITEM 7  
MANAGER'S REPORT NO. 8  
COUNCIL MEETING 92/02/03

	<u>1978</u>	<u>1992</u>
- single and two family dwellings	\$ 25	\$ 50
- additions or demolitions (residential)	10	50
- commercial (including multi-family residences)	50	100
- industrial	50	100
- swimming pools	10	50
- garages or carports	10	50
- demolitions (commercial, industrial, multi-family residences)	10	50

DIRECTOR ENGINEERING

BCD/KGW:jb  
Attach.

cc: Director Planning & Building Inspection  
Director Admin. & Community Services  
Director Finance  
Chief Building Inspector  
Municipal Solicitor

Amendment to Building Bylaw #6333  
1992 January 29

ITEM 7  
MANAGER'S REPORT NO. 8  
COUNCIL MEETING 92/02/03

	Damage Deposit	Inspection Fee
<b>CITY OF VANCOUVER</b>		
SFD (Single Family Dwelling)	350	55
Demolition	500	80
Commercial/Multi-Family	800-2,000	240 (No Excavations)
		450 (1-3 Levels of Excavation)
		900 (More than 3 Levels of Excavation)
Additions/Garages	200	55
SFD/Demolition	500	80
<b>CITY OF NEW WESTMINSTER</b>		
SFD	1,000	(Included In Building Permit Fee)
SFD Corner Lot	1,500	"
Demolition	500	"
Commercial/Multi-Family	50% of Building Permit	"
Additions/Garages	0	"
<b>DISTRICT OF SURREY</b>		
SFD	500	(Included in Building Permit Fee)
Demolition	0	"
Commercial/Multi-Family	1,000	"
Additions/Garages	500 (For Value over \$10,000)	"
<b>DISTRICT OF COQUITLAM</b>		
SFD	300 (Plus \$16.40 per meter of frontage)	(Included in Building Permit Fee)
Demolition	0	"
Commercial/Multi-Family	(Based on Value of Building)	"
Additions/Garages	300 (Plus \$16.40 per meter of frontage over 25,000)	"