

To: COUNCIL

Meeting Date: 3/14/2023

Subject: Building Division Statistics 2022 Year End

Submitted By: Tanya Gies, Chief Building Official

Prepared By: Tanya Gies, Chief Building Official

Report No.: 23-170-CD

File No.: C1101

Wards Affected: All Wards

RECOMMENDATION(S):

THAT Report 23-170-CD Building Division Statistics 2022 Year End be received.

EXECUTIVE SUMMARY:

Purpose

This report provides building permit information, including:

- The number of permits issued, broken down into categories in accordance with the classification requirements in the Ontario Building Code;
- The construction value of permits issued;
- The number of new residential units between January 1 2022 and December 31 2022; and
- A comparison of this information to previous years.

Key Findings

- The total number of building permits issued between January 1 2022 and December 31 2022 is 1757, compared to 1737 in 2021, and the average of 1564 over the previous 5 years of 2017 to 2021.
- The construction value of permits issued in 2022 is \$659,895,140 which is an increase of 21% over the 2021 construction value of \$518,908,892 and an increase of 41% over the previous five-year average of \$388,831,508.
- The number of new residential units permitted in 2022 is 980 in comparison to 1179 in 2021 and the average over the previous 5 years of 749.

Financial Implications

- As of December 31 2022, \$6,456,006 had been collected in permit revenue. This is an increase of 106% over the yearly average revenue collected of \$3,141,110 in the years 2017 – 2021.
- Not included in the revenue was \$270,070 of permit fees waived for projects in the three City Core areas as part of the Core Area Community Improvement plan. These fees are not recovered from other funds and permit rates for all permit types are determined to offset fees waived.

STRATEGIC ALIGNMENT:

- ☐ Strategic Action; or
☒ Core Service

Objective(s): VIBRANT NEIGHBOURHOOD - Promote, facilitate and participate in the development of safe and healthy neighbourhoods with a range of housing options

Strategic Action: Not Applicable

Program: Building Service

Core Service: Building Permits

Building permits are required for the health and safety of building occupants, ensuring construction projects are protected from structural failure, fire hazards and other health risks. They also ensure standards for accessibility and energy efficiency are met.

Permit data provides information on growth in the municipality by showing the type and value of construction projects year over year.

BACKGROUND:

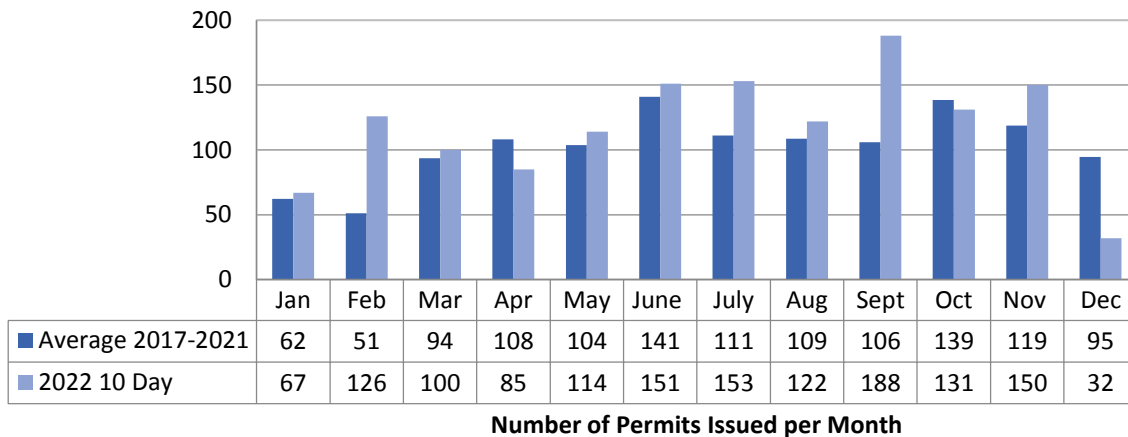
This building permit report is provided to show construction activity in the municipality. The report provides a detailed breakdown of the permits issued using the classification of buildings in accordance with the Ontario Building Code and includes a bar graph for a visual representation of that data.

ANALYSIS:

The statistics for 2022 show an increase in construction activity in comparison to the average construction activity over the same time period in the previous five years.

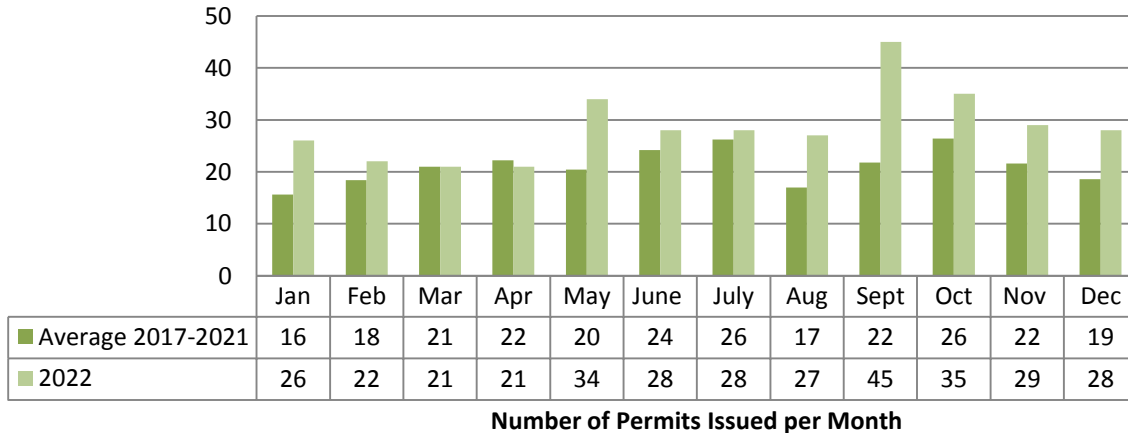
A comparison of the number of permits issued in 2022 against the average number of permits issued over the previous 5 years is as follows:

Housing and Minor Permits

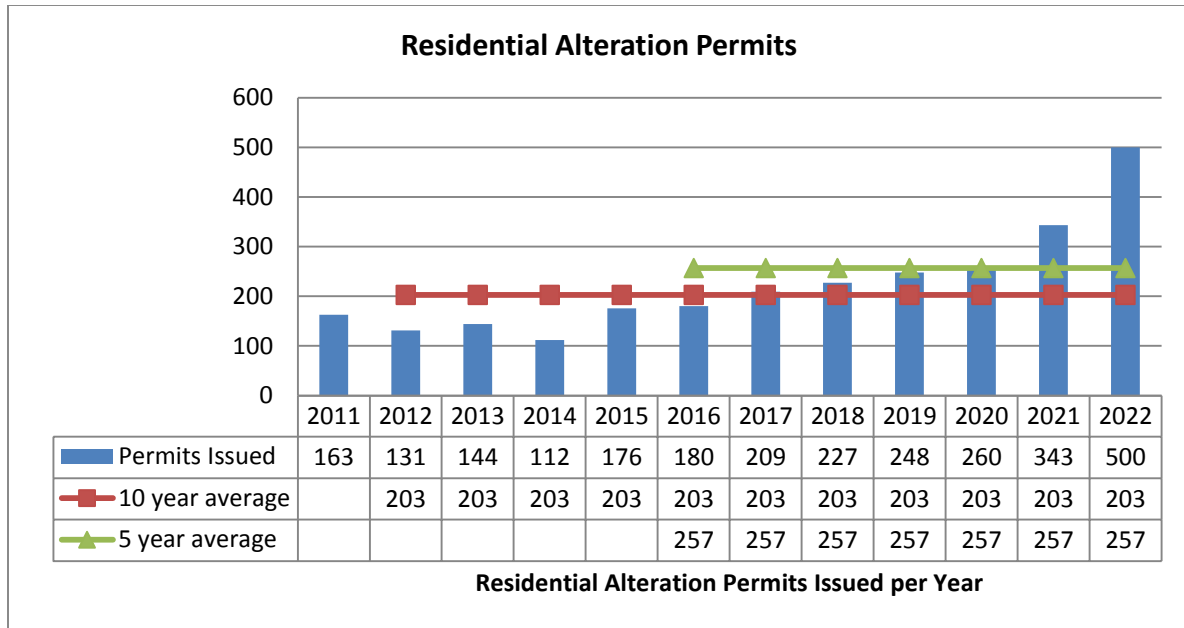


Housing and Minor Permits (Category 1:10 Day mandated turn-around time) were above average in every month except for April, October and December.

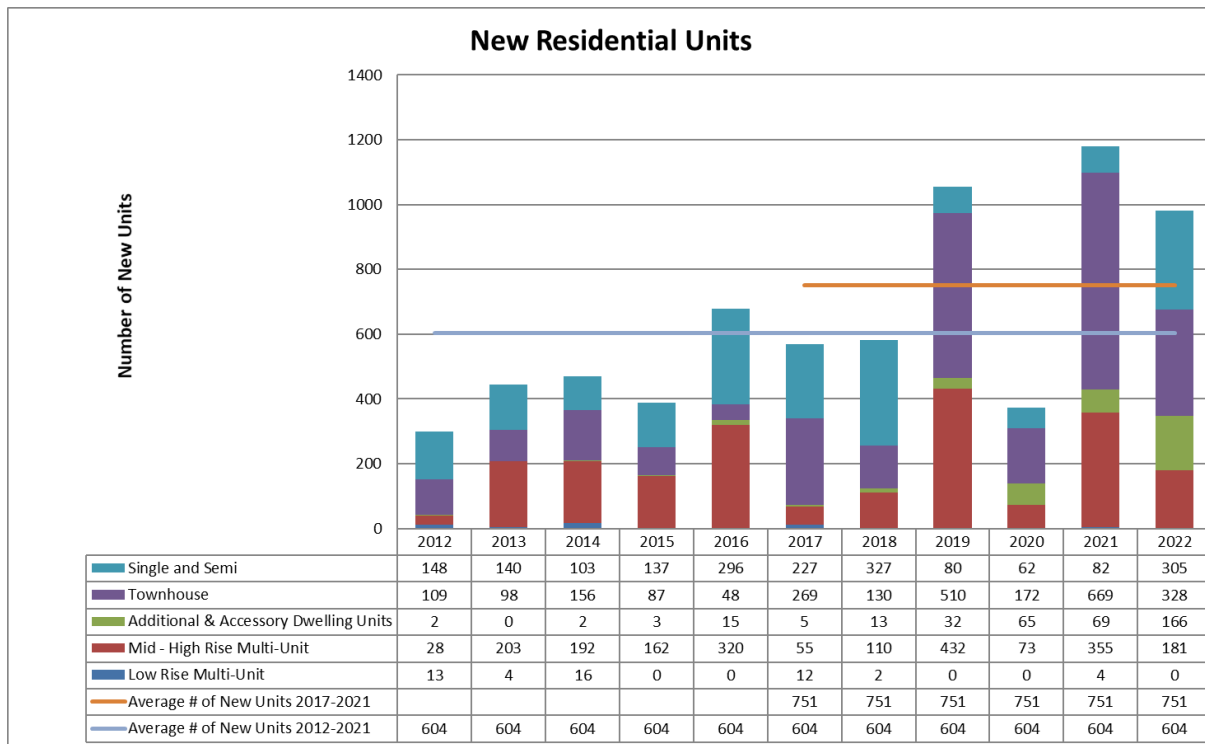
Industrial, Commercial, Institutional & Large Residential Permits



Industrial, Commercial and Institutional projects (Categories 2, 3 and 4 - 15, 20 and 30 Day Turn-Around times) were above the previous five year average in every month except April and the same as the five year average in March.



Residential alteration permits continued to increase with 500 alteration permits issued in 2022 in comparison to the average of 257 permits issued over the same period in the previous five years.



New single detached houses and townhouses comprise 64.6% of the new residential units created in 2022. 18.5% of the new units were apartment units the remaining

16.9% of the new units created were additional residential units added to existing residential properties.

Since Zoning By-Law Amendment 108-18 was enacted on June 12 2018, there has been an increase in permits submitted and issued for additional residential units, both within existing houses and in detached accessory structures.

In 2022, 163 new additional residential units were permitted:

- 154 were single additional residential units added to an existing house,
- 3 were additional residential units in detached accessory structures,
- 1 single detached house was converted to a triplex, and
- 1 church was converted to a fourplex.

EXISTING POLICY / BY-LAW(S):

Building By-law 44-12 Being a Bylaw under the Building Code Act respecting submission requirements for construction, demolition, change of use, requirements for occupancy, transfer of permits, notice of inspections, and payment and refund of permit fees.

FINANCIAL IMPACT:

Permit revenue collection can vary significantly over the course of each year and revenues for large projects can impact the numbers in different months and quarters.

As of December 31 2022, \$6,456,006.51 had been collected in permit revenue. This is an increase of 106% over the yearly average revenue collected of \$3,141,110.77 in the years 2017 – 2021.

Not included in permit revenue is \$270,070.22 of permit fees that were waived for projects in the three City core areas as part of the Core Area Community Improvement plan. These fees are not recovered from other funds and permit rates for all permit types are established to offset any fees waived.

The Building Division is self-funded and permit revenues fund operating costs. Any shortfall in revenue or excess cost is to be funded from the Building Permit Stabilization Reserve Fund which has a balance of \$7,040,090 as of December 31, 2022. The reserve fund ceiling is calculated as 2 times gross operating expenditures and is currently set at \$7,231,600.

PUBLIC VALUE:

This level of construction activity is expected as in 2006 downtown Cambridge was identified as an Urban Growth Centre by Ontario's Places to Grow and the Regional Official Plan. As the City plans for an additional 69,000 people living in our community

over the next 30 years, construction related to housing and employment is on the rise, bringing more people to Cambridge to live, work and play.

ADVISORY COMMITTEE INPUT:

Not applicable.

PUBLIC INPUT:

Posted publicly as part of the report process.

INTERNAL / EXTERNAL CONSULTATION:

There was no internal/external consultation undertaken.

CONCLUSION:

The Building Permit Statistics Report is provided for information on construction activity occurring within the City of Cambridge.

The statistics show there is an increase in construction activity in 2022 in comparison to both 2021 and the average over the previous 5 years.

REPORT IMPACTS:

Agreement: **No**

By-law: **No**

Budget Amendment: **No**

Policy: **No**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

1. 23-170-CD Appendix A – Building Permit Statistics 2022 Year End