Minutes - Executive Policy Committee - December 12, 2007

REPORTS

Minute No. 61 **Red Tape Commission, Recommendation 11 – Improve Service and Convenience for Building Permit Purchasers in the Non-Professional Home-Renovation Market**
File EB-1.4

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service, namely:

1. That the Winnipeg Public Service be directed to do all things necessary to implement the following as outlined in the report from the Acting Director of Planning, Property and Development dated November 30, 2007, in order to improve service and convenience for building permit purchasers in the non-professional home renovation market, consistent with the intent of Recommendation 11 of the Red Tape Commission Report:

    - that a more 'customer-friendly' permits website be developed that is easier for the less informed 'homeowner' customer to navigate and understand

    - that the City of Winnipeg establish a presence in participating retail building supply stores to increase awareness of permit requirements

    - that homeowners be permitted to apply for required home renovation permits on-line, starting with permits for basement renovations

    - that for qualifying applications, home renovation permits be sent to the homeowner electronically upon approval.

DECISION MAKING HISTORY:

Moved by Councillor Wyatt,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 22, 2006, the Executive Policy Committee directed the Chief Administrative Officer to prepare and forward reports on all remaining recommendations of the Red Tape Commission in an expedited manner, in a manner reflecting a list of priorities.

RE: Red Tape Commission Report Recommendation 11 – Improve Service and Convenience for building permit purchasers in the non-professional home-renovation market

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Acting Director of Planning, Property and Development

REPORT DATE: November 30, 2007

RECOMMENDATION:

1. That the Winnipeg Public Service be directed to do all things necessary to implement the following as outlined in this report in order to improve service and convenience for building permit purchasers in the non-professional home renovation market, consistent with the intent of Recommendation 11 of the Red Tape Commission Report:
    - that a more 'customer-friendly' permits website be developed that is easier for the less informed 'homeowner' customer to navigate and understand
    - that the City of Winnipeg establish a presence in participating retail building supply stores to increase awareness of permit requirements
    - that homeowners be permitted to apply for required home renovation permits on-line, starting with permits for basement renovations
    - that for qualifying applications, home renovation permits be sent to the homeowner electronically upon approval.

Report Summary

Key Issues:

- Some permit types will be easier than others to migrate to an on-line permit application and issuance option. For example, projects that involve structural alterations or that are built with non-engineered products may require a detailed plan review. Similarly, projects outside the home, particularly on small lots or involving caveats and easements, may require detailed zoning or property file review. A significant amount of programming and testing will also be required to capture information from on-line applications into the existing permits information system for verification and approval. Therefore, a phased approach, starting with less complex permit types might be required to ensure successful project implementation.

- Implementing sub-recommendation 11.1 as written would require inspectors to attend at building sites prior to construction to issue permits and collect cash *in addition to* performing at least one inspection when a project is complete. This added responsibility would jeopardize the City's capacity to perform timely inspections with the existing staff complement. Timely inspections provide the homeowner with the highest degree of assurance that the work performed complies with all necessary safety regulations.
- Establishing a City of Winnipeg presence in retail building material supply stores would require the cooperation of private industry. Over time, the City would have to offer all major retailers an opportunity to participate for the sake of equity and to maximize the City's exposure. The City and willing participants would need to agree on the parameters of the City's presence in participating stores. This presence could theoretically range from simply placing brochures to establishing a permanent 'permits kiosk'.
- The implementation plan proposed will increase public awareness of permitting requirements, improve service convenience, and promote the value of permits and inspections. In theory, successful public education about building project requirements should result in higher quality work and less re-inspection. However, any increase in permit volumes resulting from this initiative will trigger an increase in regular inspection activity. Given the current challenges with inspection volumes, there may be a need to examine different ways of conducting inspections. Exploring alternative inspection methods is the subject matter for Recommendations 9 and 10 of the Red Tape Commission report.
- Recommendation # 11 presents a significant opportunity to promote permit compliance in partnership with the building material supply community. Therefore, it may be advantageous for a communication expert to help develop a promotional campaign around the need for and value of permits, in consultation with the Industry.
- If implementation evolves to the point of automating the electronic *issuance* of permits, a by-law may be required under section 500 of the Charter to authorize printed and mechanical signatures on documents.

Implications of the Recommendation(s):

General Implications

( ) None

( ) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s):

Retail building material suppliers will be asked to provide the City of Winnipeg with a presence in their stores to promote public awareness of permit requirements as well as the availability of a revamped website for homeowner customers.

Homeowners will have access to permit information at locations where they shop for building materials and supplies. They will also have access to permit information from a revised, customer-oriented website that provides the capability of applying for home renovation permits on-line.

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

( ) None

(X) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Implementing these recommendations is intended to reduce regulatory impact in a number of respects. Information about the necessary regulatory requirements will become more readily accessible through building material stores and an improved website, making compliance easier. The public will be made more directly aware of building projects that require permits *as well as projects that do not*. On-line application forms will include mandatory fields that will eliminate the need for follow up enquiries with customers or repeat customer visits to gather missing information. Simplified on-line application forms will consist primarily of 'YES' / 'NO' responses to project-related questions. These responses will ultimately help facilitate permit approvals by identifying and segregating simple versus more complex approval processes.

Environmental Implications

(X) No

( ) Yes

Comment(s):

Human Resources Implications

(X) No

( ) Yes

Comment(s):

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s):

Report

REASON FOR THE REPORT:

On March 22, 2006, the Executive Policy Committee directed the Chief Administrative Officer to prepare and forward reports on all remaining recommendations of the Red Tape Commission. This report deals with implementing Red Tape Recommendation 11 – *Improve service and convenience for building permit purchasers in the non-professional home-renovation market*.

HISTORY:

On November 23, 2004, the Mayor officially established a Red Tape Commission, chaired by Councillor Franco Magnifico, to review City operations and regulations in order to improve customer service while granting administrators more freedom to innovate.

The Red Tape Commission submitted a final report, dated June 28, 2005, containing 30 general recommendations. Recommendation 11 reads as follows:

"**Recommendation 11 – Improve service and convenience for building permit purchasers in the non-professional home-renovation market.**

This recommendation is designed to increase basic code compliance through a series of customer service improvements.

DISCUSSION:

Recommendation # 11 provides an opportunity to expand the Permits X-Press improvement initiatives to benefit customers in the non-professional home-renovation market (i.e. individual homeowners). Homeowner customers are typically less familiar with permit requirements and processes, and individually engage with the permits office far less frequently than contractors and developers. The Public Service is committed to increasing homeowner awareness of, and compliance with, all necessary regulatory requirements for home renovation projects.

Homeowners are ultimately responsible and liable for any construction work done on their property. The Public Service can further support this obligation by providing a more convenient and informative permitting option. If implemented, these improvements will increase assurance that home renovation projects comply with safe and orderly development initiatives that are intended to protect the interests of current and future occupants.

To that end, the Public Service recommends the following implementation phases:

1. Develop a more 'customer-friendly' permits website that is easier for the less informed 'homeowner' customer to navigate and understand.
2. Establish a City of Winnipeg presence in participating retail building supply stores to increase awareness of permit requirements.
3. Provide homeowners with the ability to apply for required permits on-line.
4. Develop the ability to issue 'simple' building permits electronically where practical, based on qualifying criteria. Generally speaking, 'simple' building permits would include:
   - Projects that don't require zoning approval (e.g. work done within the home; including basement development, plumbing and electrical), and / or
   - Projects that don't require plan examination (e.g. engineered garage packages; non-structural interior alterations).

Details on each implementation phase are provided below.

1. Develop a more 'customer-friendly' permits website . . .

The *existing* City website provides a wealth of current and relevant information about permit requirements. However, the design and navigability of the site could be improved to make such information easier for the infrequent customer to find. Therefore, the Public Service recommends the following enhancements to the existing website (illustrative examples are provided in the Appendices):

i. 'single click' access to residential permit information from the City's 'winnipeg.ca' home page – (see Appendix A – *Illustration 1*)

ii. a graphics-based residential permits home page with 'single click' access to project-specific information – the customers' perspective is 'project', not 'permit' (see Appendix B – *Illustration 2*)

iii. re-linking all of the existing and relevant permit-related information using a simple and consistent menu structure for each project – including links to detailed building code specifications in brochure format (see Appendix C – *Illustration 3*)

iv. inclusion of a graphics-based 'single click' information page for typical home renovation projects that ***do not*** require permits (see Appendix D – *Illustration 4*)

An improved website and enhanced web-based technology offers the following benefits:

- Comprehensive permit information can be provided and updated both consistently and accurately from a single source, benefiting not only the customer, but staff from a training perspective as well.
- Permit information can be obtained from the convenience of the customers' homes, 24 hours a day and 7 days a week (future consideration will be given to providing internet kiosks in participating building material supply stores).
- Homeowners who meet qualifying criteria will ultimately be able to apply for, pay for and receive a permit without having to visit the permit office in person. (On-line applications that require a structural plan examination or zoning review will have to satisfy additional approval requirements that may prevent permits from being approved and issued electronically).
- Once fully automated, an on-line 'homeowner' application and approval process will reduce the need for face-to-face intervention, enabling staff to better address peak volumes and complex approval processes in other areas.

2. Establish a City Presence in Building Material Supply Stores . . .

The Public Service is interested in assuring that all home renovation projects comply with the intent of building code requirements in order to protect the safely and well-being of current and future occupants. Such assurance can be enhanced in part by raising public awareness of safety and code requirements **before** projects begin. To this end, the Public Service recommends that a City presence be established in stores where citizens purchase building materials and supplies and according to the following implementation steps:

i. Develop a standard 'Permit Information Kit' that includes a graphics-based poster (see images in Appendix B and Appendix D) and a complete set of information brochures, for installation in participating retail stores. This public awareness effort could be further enhanced by placing additional brochures strategically throughout the stores (i.e. plumbing brochures with the plumbing supplies, electrical brochures with the electrical supplies, etc.). The initial cost to the City for the proposed 'kit' will be covered in existing budgets.

ii. Work initially with the Manitoba Home Builders Association (MHBA) to identify building material retailers who are interested in participating with the City of Winnipeg in this initiative. The Public Service has already been working with the MHBA on a number of improvement initiatives in conjunction with the City's Permits X-Press project. To date, the Public Service has received interest from two major suppliers of retail building materials. As additional retailer interest is established, the Public Service will investigate further costs for additional 'Permit Information Kits' within the budget approval process in subsequent years.

iii. Engage more building material retailers over time to maximize the City's opportunity to reach its target (i.e. homeowner) customers.

A City presence in retail building material supply stores offers the following benefits:

- Improves customer convenience by providing permit information at the same location as materials and supplies are purchased (i.e. closer to a one-stop-shop environment for the customer)
- Promotes awareness of code compliance requirements at the planning stage of a project and potentially avoid costly rework by the customer
- Reduces speculation about when a permit is and is not required
- Promotes the availability of an enhanced City website that is tailored to the homeowner / home-renovation customer
- Creates the potential for on-line permit applications from the same location that materials and supplies are purchased
- Introduces the possibility of periodic in-store workshops by City staff to reinforce messages about permit and code-related issues.

3. Expand Access to On-line Permit Applications . . .

The City currently offers on-line *residential* permit application service to:

- registered contractors for New Housing Construction permits
- licensed Electricians for Residential – Electrical permits
- licensed Plumbers for Residential – Plumbing permits

Homeowners are not able to access this service at present and therefore must apply for all building permits in person at a single permits office location. In-person applications are taken between 8:30 and 4:30 from Tuesday to Friday. Varying degrees of waiting time may be required if applicant volumes are high during the peak building season. In addition, missing information or documentation may require the customer to make additional appearances at the permit office. Once a permit application is approved, the permit is either mailed to the customer or picked up in person. In the case of simple permit approvals, the Public Service makes every effort to approve and issue the permit during the customers' initial visit to the permit office.

The Public Service has analyzed recent permit volumes by permit type and found that 'home-renovation' activity accounts for significant volumes annually. Within this category, the highest volumes occur for Residential Electrical, Residential Plumbing, Housing (i.e. New Construction, Additions, Alterations, Basement Development), and 'Accessory Structures' (primarily Detached Garages and Decks).

The Public Service recommends expanding on-line permit applications to homeowners for all home-renovation permits. Considering the time of year and advantages of a phased approach, the Public Service further recommends that

implementation begin with Basement Development (i.e. 'Basement Renovations') according to the following detailed implementation steps:

i. Develop an on-line permit application form for Basement Renovation permits. The application form will be linked to the revised web page (see Appendix B), enabling the homeowner to 'click' on 'Basement Renovations' and have direct access to this option.

ii. The application form will be designed to capture the required 'file' information electronically. The application form will facilitate permit approval by requiring the applicant to provide 'YES' or 'NO' responses to a mandatory series of questions. These responses would 'trigger' the approval processes required to issue the permit. The applicant will be prompted to provide all required information before the application can be accepted. The applicant will also be given the option to pre-pay the required permit fee at the time of application. This option enables the Public Service to issue the permit electronically after approval.

iii. 'Basement Renovation' projects frequently require plumbing and electrical work that requires separate permits. The on-line application form will give the homeowner the option to apply and pay for these permits on-line as well.

iv. A validation process will be necessary to ensure that information on application forms matches existing address and homeowner records in the property information system (i.e. AMANDA). During the initial implementation phase, this validation will require some manual intervention. Once all of the necessary programming and testing occurs, the validation process will be fully automated. It is for this reason that the Public Service recommends a phased approach to implementation.

v. The Public Service will develop on-line application forms and approval processes for additional home renovation projects such as Detached Garages, Decks, Sunrooms, Additions, etc. as the necessary programming and testing requirements evolve. It is anticipated that these requirements can occur in conjunction with the spring building season. In the interim, the on-line permits link on the revised web page will read 'Under Construction' for these additional permit types.

vi. The Public Service recommends that the on-line application capability be restricted to the homeowner applicant for home renovation permits. The homeowner is ultimately responsible for any construction activity occurring on their property. Therefore, it is important that the homeowner become the City's primary contact person during the application review and approval process. Ideally, this contact would take place via e-mail correspondence with the homeowner.

Expanding on-line permit application service to homeowner customers offers the following benefits:

- Homeowners will be able to apply on-line for necessary home-renovation permits 24 hours a day and 7 days a week.
- The existence of mandatory fields means that on-line applications will provide **all** information required for the City to undertake the necessary validation and approval procedures without any additional customer follow-up. Therefore, there will be no permit delays associated with incomplete applications.
- On-line applications for Basement Renovations will provide applicants with the option of applying for related electrical and plumbing permits, enabling all three permit approval processes to take place concurrently.
- On-line applications will include 'pop-up' fields that define permit terminology clearly and educate the applicant about why the information being asked for on the application is required.
- Payment of permit fees for such applications will be accommodated electronically, setting the stage for on-line permit issuance.

4. Issue 'simple' building permits electronically . . .

The City of Winnipeg currently does not issue approved building permits electronically. Research indicates that on-line issuance is relatively new technology in other jurisdictions as well. However, as implementation of the above-noted phases roll out, there is an opportunity to consider this option. The Public Service recommends that electronic permit issuance be pursued according to the following implementation steps:

i. The homeowner's e-mail address will be a mandatory field for all on-line renovation permit applications. This e-mail address will ultimately be used to direct any additional permit related correspondence from the City.

ii. Subject to the necessary programming and testing requirements, the on-line applicant will be provided with an e-mail confirmation that their completed application form has been received. This confirmation will provide a 'tracking' number that will enable the applicant to check on-line for the status of their permit approval.

iii. Again, subject to the necessary programming and testing requirements, the Public Service will ultimately be able to e-mail an approved building permit to the homeowner's e-mail address, provided that:

   a. there are no complexities associated with the application (e.g. structural alterations; zoning conditions) that require a structural plan submission or a public zoning review, and

   b. the applicant has provided the necessary payment details on-line at the time of application.

The Public Service intends to pursue the acceptance of ‘e-plans’ for structural review as well as fully automated approval processes (including zoning condition review) in future implementation phases.

Issuing ‘simple’ building permits electronically offers the following benefits:

- Making the homeowner’s e-mail address a mandatory field on the application form makes the homeowner the direct point of contact with the City of Winnipeg for all permit approval matters. This direct contact reinforces that the homeowner is directly responsible for all construction work taking place on their property.
- The homeowner will be able to apply for, monitor approval for, and actually receive an approved building permit without having to visit the permit office in person, provided that all qualifying conditions associated with the on-line application are met.
- Provides more flexibility for permit staff in managing peak volumes of permit activity as well as complex project approvals that require more dedicated face-to-face time with contractor / developer customers.

Financial Impact Statement Date: November 26, 2007

Project Name:

Red Tape Commission Report: Recommendation 11: Improve service and convenience for building permit purchasers in the non-professional home-renovation market.

COMMENTS:

The recommendation contained in this report is that the Winnipeg Public Service be directed to do all things necessary to implement the following as outlined in this report in order to improve service and convenience for building permit purchasers in the non-professional home renovation market, consistent with the intent of Recommendation 11 of the Red Tape Commission Report:

- that a more 'customer-friendly' permits website be developed that is easier for the less informed 'homeowner' customer to navigate and understand
- that the City of Winnipeg establish a presence in participating retail building supply stores to increase awareness of permit requirements
- that homeowners be permitted to apply for required home renovation permits on-line, starting with permits for basement renovations
- that for qualifying applications, home renovation permits be sent to the homeowner electronically upon approval.

Any initial cost to the City associated with this recommendation will be covered in existing budgets while additional funding requirements, if any, will be subject to the budget process in subsequent years.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Legal Services

External Consultation With:

Manitoba Home Builders Association (MHBA) members

THIS REPORT SUBMITTED BY:

Department Planning Property and Development
Division Office of the Director / Development and Inspections
Prepared by: Gary Holmes
PPD File No.

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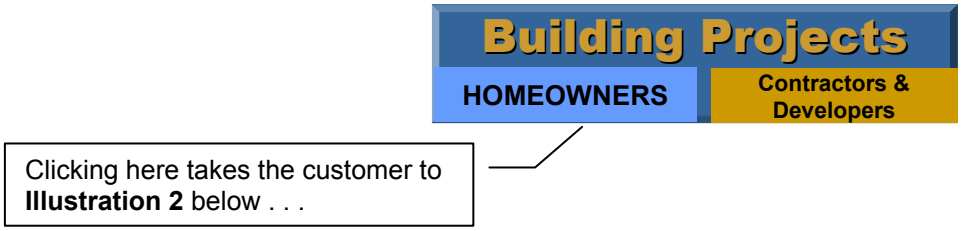
Appendix A

Illustration 1: Suggested icon for winnipeg.ca home page . . .

Illustration 1

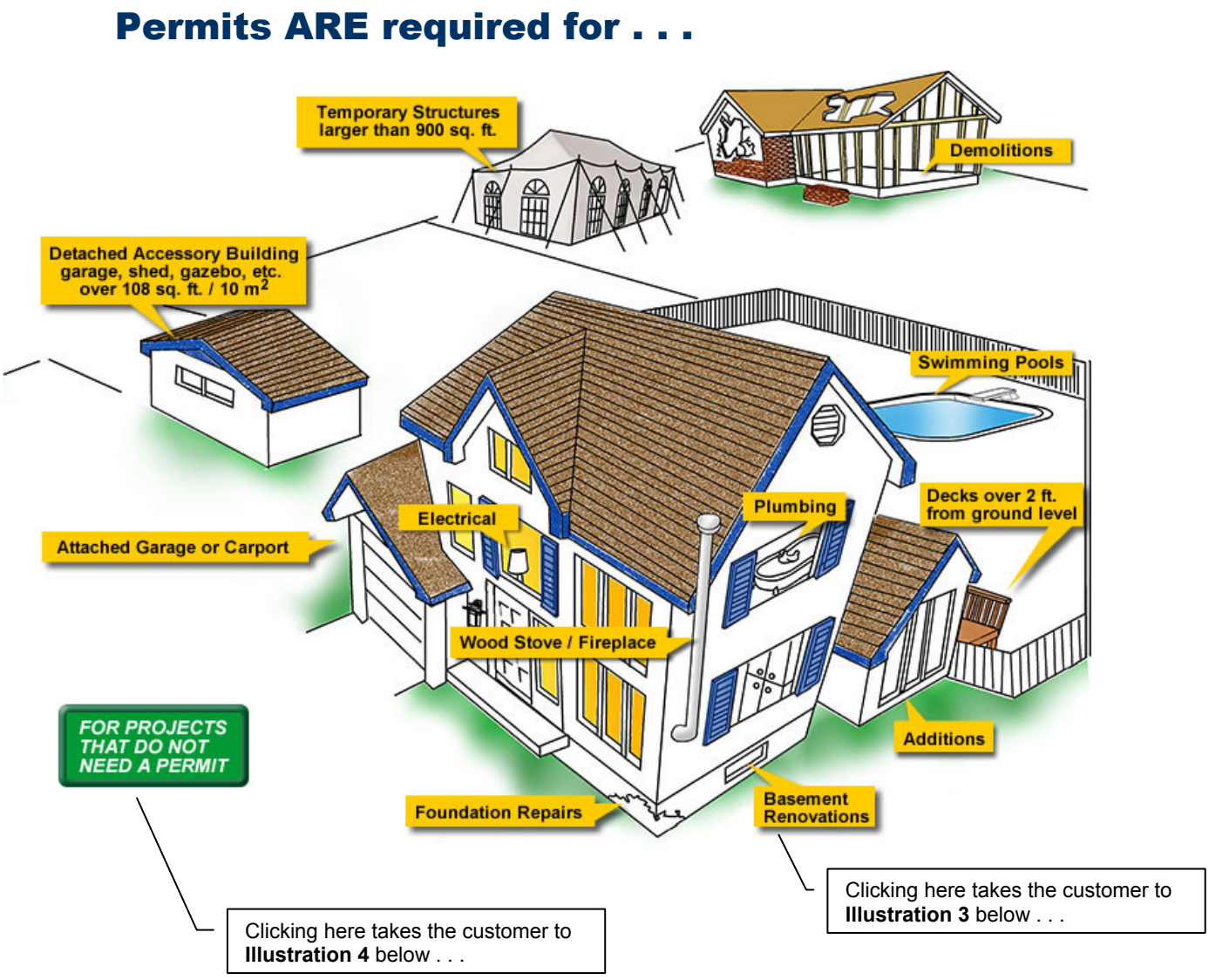


The City of Winnipeg website homepage (winnipeg.ca) does not provide a readily identifiable point of entry for the homeowner customer to find permit information. There is an existing icon labeled “Permits Online”. However, clicking on this icon reveals that permits on-line is a restricted site for registered contractors only. From this point, the non-registered customer (e.g. homeowner) is forced to navigate through a significant amount of text, or to know the City’s departmental structure to find the specific permit information of interest. Furthermore, the existing “Permits Online” icon is somewhat misleading as the City does not currently *issue* permits on-line.

The alternative icon in the sample above draws the public customer’s attention more directly using label terminology that is more familiar to them. From here, the homeowner customer would simply have to click on ‘HOMEOWNERS’ to reveal a permits home page that provides them with direct access to the specific project information they are looking for (see Appendix B – Illustration 2).

Appendix B

Illustration 2: Sample Permits Home Page . . .



The above schematic provides a 'look and feel' that is more consistent with the project perspective of the target customer. The customer can simply click on yellow 'call out' icon for the project they are constructing and be taken to the project home page (Appendix C - Illustration 3 below) where they can access the necessary project and permit-related information. Accessing this information at the planning stage of a project raises awareness and helps citizens comply will regulations that are necessary to promote safe and orderly development. This 'look and feel' will also be consistent with the posters to be installed in building material supply stores.

Appendix C

Illustration 3: Sample Project Home Page . . .

Basement Renovations

Advice and permit information for the development of basements

- PLANNING YOUR PROJECT
- WHY A PERMIT?
- APPLYING FOR A PERMIT
- PROJECT CONSTRUCTION
- PROJECT INSPECTION
- RELATED LINKS



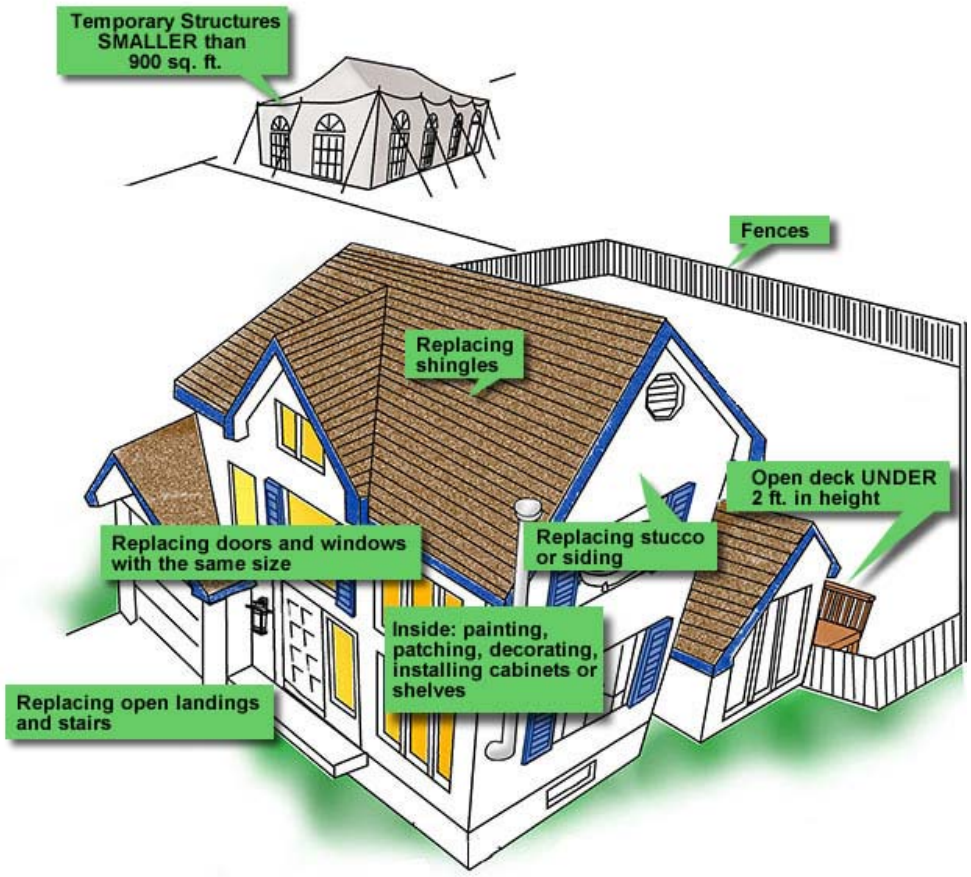
This page provides the customer with access to a complete set of comprehensive project specific information from planning a project to project inspection. Clicking on "Applying for a Permit" will take the customer to the on-line application form.

During the early implementation phase, Basement Renovations will be the first active on-line application link. The on-line application link will be activated for other projects after the necessary programming and testing is fully complete. In the interim, clicking on this link will simply provide an "Under Construction" flag. However, a visitor to this page from other projects on the permits home page will still be provided with all of the other menu links above for the applicable project information.

Appendix D

Illustration 4

Permits ARE NOT required for . . .



There are certain renovation projects that do not require building permits. However, there are still some zoning or code requirements that are important for a homeowner to understand and consider. Clicking on the green 'call out' boxes above will provide the customer with information about related zoning and code requirements as well as advice where applicable. For example, there are certain height requirements / restrictions on the height of a fence, depending on whether or not there is a swimming pool in the fenced yard. Knowing this information ahead of time raises awareness at the planning stage of a project and therefore helps citizens comply will necessary regulations that exist to promote safe and orderly development.

Appendix E

Other recent permit process improvement initiatives . . .

- The Planning, Property and Development Department has been engaged in a number of specific customer service improvements through the on-going Permits X-Press initiative. This initiative was referenced in the Mayor's Red Tape Commission report as a City best practice. Permits X-Press improvements have been targeted primarily at our 'regular' industry customer (i.e. major home builders, commercial and industrial developers, licensed trades people). Recent Permits X-Press achievements include:
    - Creating a Business Development Administrator ('file manager') position to expedite permit approval for major commercial development projects
    - Eliminating the need for permits for decks less than 2 feet high
    - Eliminating the need for permits for temporary tents up to 900 square feet
    - Providing a dedicated staff resource to screen and approve permit applications for simple, non-structural projects
    - Implementation of the *Building and Site Design Summary,* a comprehensive checklist and worksheet for commercial building permit applications involving new construction and additions, designed in conjunction with industry to facilitate submission of complete and accurate applications the first time
    - Pilot implementation of a fast track permit for "Occupy Only" applications, which reduced permit approval times from an average of 24 days to 7 days during the 2- month pilot period

  Eighty-three percent of commercial permit applicants surveyed in December 2006 indicated they perceived service improvements in the last 6 months.