Agenda – Executive Policy Committee – January 17, 2023

Report – Standing Policy Committee on Property and Development – January 9, 2023

Item No. 1 Amendments to the Vacant Buildings By-law No. 79/2010

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2023, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That a by-law to amend the Vacant Buildings By-law No. 79/2010 be enacted, a draft of which is attached as Schedule A to this report.

2. That the Proper Officers of the city be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Executive Policy Committee – January 17, 2023

Report – Standing Policy Committee on Property and Development – January 9, 2023

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2023, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

Sel Burrows submitted a communication with respect to the matter.

COUNCIL DECISION:

On July 21, 2022, Council concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and directed the Winnipeg Public Service to report back within 90 days on the matter.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 13, 2022, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On July 4, 2022, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the Council Motion of June 23, 2022 and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On June 23, 2022, Council ruled automatic referral of the following motion to the Standing Policy Committee on Property and Development, Heritage and Downtown Development:

Moved by Councillor Klein,
Seconded by Councillor Nason,

WHEREAS there has been a noticeable increase in fires at vacant buildings in the City;

Report – Standing Policy Committee on Property and Development – January 9, 2023

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

AND WHEREAS the fire response to vacant buildings is not always reported by the media;

AND WHEREAS the City has limited financial resources to meet desired objectives and strategic plans such as for infrastructure, roads, sewer overflow, recreation, parks, forestry, policing, and fire;

AND WHEREAS vacant buildings are more susceptible to large out of control fires due to lack of people present to identify, report, and take early steps to extinguish the fire;

AND WHEREAS the owners of vacant buildings must take greater responsibility for fire prevention and reporting, so as to reduce the risk of large fires dangerous to fire crews and costly to the City to extinguish;

AND WHEREAS fires in vacant buildings often damage in full neighbouring buildings, which is a devastating event for the adjacent property owners;

AND WHEREAS an effective method to compel owners to achieve the prevention of large fires at their vacant buildings, is to require the owners to absorb the cost of fire response;

AND WHEREAS Section 5(1)(d) of the Winnipeg Charter states that the City is responsible to "promote and maintain the health, safety, and welfare of the inhabitants", which includes residents of properties next to vacant buildings and responding fire fighter crews;

AND WHEREAS the Canadian Fallen Firefighters Foundation lists the active duty deaths of over 1,700 firefighters, including many from Manitoba and Winnipeg;

AND WHEREAS on June 14, 2022, there were three Winnipeg firefighters taken to hospital, including one in unstable condition, after battling a fire at a vacant home which subsequently spread to a neighbouring house;

THEREFORE BE IT RESOLVED that the Winnipeg Public Service be directed to report back within 90 days on the following:

1. Amendments to the Vacant Buildings By-law No. 79/2010 to require owners of vacant buildings be solely responsible for paying the total cost for fire response services to any vacant building in the event of a fire, with exemptions for the following situations:

Report – Standing Policy Committee on Property and Development – January 9, 2023

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

A. Fires originating from unrelated arson

B. Natural disasters

C. Collisions/accidents from vehicles

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: The Recovery of Fire Protection Service Fees

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
W. Yee S. Wilkinson	C. Fernandes C. Schmidt	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The Vacant Buildings By-law (VBB) regulates the condition of vacant buildings and discourages the boarding of vacant buildings. The VBB holds all owners of vacant buildings responsible for physically maintaining their buildings in compliance with both *Schedule A – Maintenance Standards for Vacant Buildings* and *Schedule B – Security Requirements for Vacant Buildings*.

The VBB requires the owner of vacant buildings to take steps to ensure that a vacant building is either conventionally secured in compliance with Part I of Schedule B or, if necessary, boarded in compliance with Part II of that Schedule. Compliance with Schedule B is essential in deterring external threats to the building that can lead to criminal activity, including acts of vandalism or arson. In many instances, vacant buildings that are not secured in compliance with the VBB are subject to multiple and repetitive incidents that require responses from the Winnipeg Fire Paramedic Service (WFPS).

By requiring the owners of vacant buildings to pay the costs associated with these WFPS responses, the proposed amendments to the VBB would encourage these owners to comply with Schedule B requirements and maybe even take additional steps outside of the by-law requirements to further protect their property from future fire events. In turn, improved compliance with Schedule B will enhance the safety of neighbouring residents and WFPS responders.

RECOMMENDATIONS

1. That Council enact a by-law to amend the Vacant Buildings By-law No. 79/2010, a draft of which is attached as Schedule A to this report.

2. That the proper officers of the city be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

On July 21, 2022, Council concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and adopted the following:

1. That the Winnipeg Public Service be directed to report back within 90 days on the following:

    A. Amendments to the Vacant Buildings By-law No. 79/2010 to require owners of vacant buildings be solely responsible for paying the total cost for fire response services to any vacant building in the event of a fire, with exemptions for the following situations:

        i. Fires originating from unrelated arson

        ii. Natural disasters

        iii. iii. Collisions/accidents from vehicles

IMPLICATIONS OF THE RECOMMENDATIONS

The recommended amendment is intended to incentivize the owners of all vacant buildings to make diligent efforts to secure their vacant buildings in compliance with the VBB in a unified effort, thereby decreasing the number of fires that occur at vacant buildings.

By making owners financially responsible for the total cost of a fire response, the Winnipeg Fire Paramedic Service may be able to recover some or all of the costs associated with these repetitive and often avoidable fire incidents.

HISTORY/DISCUSSION

The Vacant Buildings By-law (VBB) is administered and enforced by Community By-law Enforcement Service (CBES) and its officers. CBES conducts annual inspections of vacant buildings to ensure compliance with Schedule A of the VBB (“Schedule A Inspections”) and also responds to calls for service from the public to investigate potential vacant buildings or respond to any property standards or security complaints of known vacant buildings.

The VBB currently holds owners of vacant buildings responsible for paying annual Schedule A Inspection fees, applicable Boarded Building Permit Fees, and in some specific cases Annual Empty Building Fees.

Fire protection service fees are not currently charged to property owners, except in cases where industrial service agreements are in place. The implementation of these recommendations would add the total cost of each applicable fire response to the financial obligations that the owners of vacant buildings currently have.

WFPS currently have fire protection service fees listed under the City's 2022 Schedule of Fees and Charges, which are representative of departmental costs for responses. WFPS is operationally prepared to develop a new reporting process and begin calculating and invoicing these fees to vacant building owners.

This new reporting process will include at a minimum:

1) A verification from CBES confirming that a fire response event had occurred at a known vacant building that has been subject to a completed Schedule A Inspection.

2) Verification that the fire event does not fall under any exemption.

3) An internal WFPS process to produce an invoice that reflects the total cost of a response.

The fire protection service fees would apply to any vacant building that has been subject to at least one completed Schedule A Inspection at the time of the fire and not subject to certain exemptions.

Exemptions were provided for in the Council motion above, and included fires originating from 1) "unrelated arson", 2) natural disasters, and 3) collisions with vehicles. Exemptions for natural disaster and collision have been incorporated into the draft by-law, but in order to remove any ambiguity relating to the proposed exemption of "unrelated arson", the amending by-law will instead include an exemption for any fire events determined to have originated from another property.

The number of vacant buildings that are actively monitored by CBES will change as vacant buildings are added or removed from its inspection and enforcement program. A review of WFPS operational records for fire and rescue responses to monitored vacant buildings estimates a total of 1565 apparatus responses from January 1, 2019, to December 31, 2021. Utilizing today's fees and charges for fire response, the estimated amount that would have been available to invoice under the proposed amendments for responses in this time period is $1,406,396.00

Table 1 – Historical Analysis

Reporting Year	Number of Monitored Vacant Buildings	Estimated Number of Fire Incidents	Estimated Number of Fire Apparatus Responses	Cost
2019	806	39	477	$477,730.00
2020	777	39	444	$425,821.00
2021	683	40	515	$502,845.00

To further illustrate the potential financial impacts these recommendations would have on vacant building owners, the following table has been provided for reference:

Table 2: Example Response and Cost for a Residential Structure Fire (2 hours)

Quantity	Apparatus/Unit	Rate	Cost/Value
3	Pumper	$1,357 per hour or part thereof	$8142
1	Aerial Ladder	$1,357 per hour or part thereof	$2714
1	Rescue	$1,357 per hour or part thereof	$2714
1	DCFRO*	$340 per hour or part thereof	$680
1	PSO**	$340 per hour or part thereof	$680
		Total Cost for Fire Response	**$14,930**

*District Chief Fire Rescue Operations
** Platoon Safety Officer

A cross-jurisdictional scan composed of six municipalities across Canada finds that some are not currently engaging in similar forms of cost recovery. One municipality has engaged in cost recovery on a limited basis, while another recovers fire response costs when the property is non-compliant or involved in illegal activity.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 18, 2022

Project Name:

The Recovery of Fire Protection Service Fees

First Year of Program **2023**

	2023	2024	2025	2026	2027
Capital					
Capital Expenditures Required			$ -	$ -	$ -
Less: Existing Budgeted Costs			-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery	240,000	300,000	260,000	175,000	100,000
Net Cost/(Benefit)	$ (240,000)	$ (300,000)	$ (260,000)	$ (175,000)	$ (100,000)
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ (240,000)	$ (300,000)	$ (260,000)	$ (175,000)	$ (100,000)

Additional Comments:

Under the amended bylaw, dispatched calls to vacant buildings as set out in this report will generate an invoice on the property owner. At present this is not a revenue recovered by the department and the amendment will therefore reduce the mill rate cost of fire suppression by the amount received.

This FIS assumes implementation of the amended bylaw from April 2023 and a year-over-year reduction in vacant building dispatch (as property owners begin to receive the charge and take steps to better safeguard their property). The revenue reported is based on the number of vacant building dispatches, the fee rate proposed and an estimate of call volume reduction. The department will monitor the actual level of revenue arising from this bylaw amendment and adjust the revenue estimate on a more evidence based model through future annual budget processes.

John Hall FCMA, CGMA
Financial Controller
Fire Paramedic Service

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services

OURWINNIPEG POLICY ALIGNMENT

Good Health and Well-Being
Objective #3
Proactively identify and address threats to community safety and well-being. Promote physical and mental health by mitigating, planning for, responding to, and recovering from, emergencies, disasters and crime.

Policy 4.8 - Building Safety. Enforce compliance with building codes and property maintenance standards, to ensure housing quality, safe building occupancy, and extended building lifecycles.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

n/a

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Goal 2 – The city actively plans for and partners in affordable housing.

Objective A – The city's capacity and commitment to advancing affordable housing initiatives are increased.

Objective D – Existing affordable rental housing stock is maintained and improved.

Many vacant properties were previously affordable housing. Subsequent to fires or the development of uninhabitable conditions, properties became vacant. Each vacant building that burns, diminishes capacity for affordable housing. By reducing the number of vacant building fires, potential affordable housing is maintained.

SUBMITTED BY

Department: Community Services / Winnipeg Fire Paramedic Service
Division: Community By-law Enforcement Services / Community Risk Reduction
Prepared by: Winston Yee, Manager / Scott Wilkinson, Asst. Chief
Date: December 15, 2022
File No: CMS-2023-9

Attachments:

1. Schedule A – Amending By-law to the Vacant Building By-law 79/2010