

## Township of Southgate

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## Staff Report CBO2023-002

**Title of Report:** CBO2023-002

**Approval of E-permitting/Tracking and Inspection Software**

**Department:** Building

**Branch:** Building

**Council Date:** June 7, 2023

### Recommendation:

**Be it resolved that** Council receive Staff Report CBO2023-002 for information; and

**That** Council approve the purchase and implementation of Cloudpermit Electronic Permit and Inspection Software for the Building, By-law and Planning Department; at a cost of \$42,000 plus HST be funded from the Building Department Reserve; and

**That** staff be authorized to purchase of BlueBeam as a companion PDF editor for the Building, By-Law and Planning staff where required at a cost of approximately \$405 plus HST per licence.

### Background:

Over the past few years and especially during the COVID-19 restrictions, the Township has received an increasing number of requests from builders for the ability to apply for building permits and book inspections online.

In recent years, a number of large municipalities have made electronic application a reality but this has come at a significant cost. Generally, these processes take from several months to years to effectively implement. They involve installation of complex software that require frequent updates and come at a cost that can only be justified by high building permit activity that far exceeds the Township's current levels.

During the COVID-19 restrictions, staff have had to quickly switch to an electronic method to ensure construction continues for essential projects. As such, email has been used as the primary means to download, upload and communicate with permit holders. During this time, the Township has realized that this method, although kept the Township moving forward was extremely inefficient. Applications were missed as they were too large for email or were sent to the improper email address. Based on the Township's current rate of application submissions, the Township will be severely overwhelmed during the building season.

In the past few years, staff have become aware of a new opportunity to consider. A cloudbased permitting system that has been created and hosted by a leading software developer.

### Staff Comments:

CloudPermit is a software hosted, maintained and updated by the service provider over the internet using industry best standards. With the service provider providing the updating and maintenance, it would ensure that Township staff are not required to provide resources to ensure its proper function.

Generally, the process is as follows:

### Building Permit and Issuance/Planning & Development Applications

- ✓ Originating from a link on the Township's website, the applicant creates a project and uploads the required application, forms and drawings using a user-friendly step by step process. The applicant can also authorize designers to upload drawings directly to their project. When the applicant believes that

the application is complete, they direct the system to advise the municipality of an application. The system will verify all required documentation is in place before initializing the permit application process to the Township.

- ✓ Upon notification of a complete application, the municipality logs into the website to view and download the information.
- ✓ Staff will then conduct the plans examination electronically using the Township's future pdf editing software. Once satisfied, the approved plans are uploaded back to the applicant's project with an approved building permit or notice of completion of a planning application.

### **Building Inspections**

- ✓ Permit holders will log onto the website and request an inspection for their project with their suggested time of morning or afternoon.
- ✓ Staff will receive the notification and confirm if the requested time can be met.
- ✓ Inspectors will visit the project and confirm status of the inspection to the permit holder through the software.

### **For the building industry the benefits of this cloud-based system include:**

- ✓ Minimal printing costs for the applicants to submit permit.
- ✓ Travel time and expense to and from the municipal office to drop off and pick up documents
- ✓ Ability to track several permits at one time.
- ✓ Inspection scheduling and results are received electronically and immediately.
- ✓ Allows for quicker application process given that designers can submit directly online
- ✓ Ability to monitor the progress of an application or inspection immediately
- ✓ Availability of approved plans are on-line at all times.
- ✓ Will integrate with the Township's building permit database currently in place Keystone financial.
- ✓ Cloudpermit is currently working on import technology to transfer old permits to the Cloudpermit program.
- ✓ Less administration staff time to file and track permits
- ✓ No hard filing system or further space required on Township site.

Cloudpermit will support the Township's objectives of customer service satisfaction and environmental sustainability and innovation. It has been determined that Cloudpermit is the preferred solution as it best fits the requirements of the building department, and can integrate other departments, such as planning and by-law. This system is the primary building permit application system used in Finland where over 250 municipalities are enrolled. In Canada, the City of Windsor is the first client from which the Township has received positive reviews. Other municipalities in Ontario enrolled include Arran-Elderslie, Chatsworth, Grey Highlands, Huron-Kinloss, Lucan Biddulph, Middlesex Centre, North Kawartha, North Middlesex, Saugeen Shores, South Stormont, Southwold, Strathroy-Caradoc, West Grey, St Mary's and West Perth.

It is also worth noting that Cloudpermit has been endorsed by the Ontario Building Officials Association and AMO as a solution to advancing e-permitting. The following is an excerpt from the OBOA from August 2020.

*"The OBOA has always been committed to supporting our members as they strive to improve building permit services for homeowners, builders and developers, while also streamlining the processes within their municipal departments," says Grant Brouwer, President of the OBOA. "This collaboration with Cloudpermit enables us to provide our members with an avenue to e-permitting and contributes to the overarching mandate by the Provincial government to move towards electronic service delivery of provincial and municipal services."*

### **Financial Implications:**

Staff is recommending the initial term of the agreement for five years. Upon completion of the 5<sup>th</sup> year Cloudpermit fees will increase 5% or can be renegotiated if building permit requirements decrease. Cloudpermit is offering the software for

an annual fee of \$16,500 for the Building Department permitting system. Based on the Township's expected annual number of 400 permits per year this would be \$44.75 per permit.

Bluebeam onetime fee is currently \$300.00 US (\$405.00 Canadian at time of printing) per seat for the standard version. 4 seats would currently be required.

The initial agreement is for an implementation fee of \$9,000 and five years with an annual cost for Cloudpermit of \$16,500.00 (H.S.T. excluded) for the Building Department, and a yearly fee for Bluebeam of \$1620.00 (H.S.T. excluded)

The Planning Department would benefit from the Building Department implementation fee and purchase in 2023 and would incur a yearly fee of \$11,550.00 (H.S.T. excluded), beginning in the 2024 budget year.

The By-Law Department would benefit from the Building Department implementation fee and purchase in 2023 and would incur a yearly fee of \$4,950.00 (H.S.T. excluded), beginning in the 2024 budget year.

Staff have reviewed the 2023 budget, which includes \$25,000.00 for Building and \$3000.00 for By-Law services. A total first year cost for three modules is \$42,000.00 + applicable taxes. The Building Department reserve at the beginning of 2023 is \$1,156,814.48. Therefore, council is committing an additional \$14,000 unbudgeted from the Building Department Reserve to fund this project in 2023. Purchase of this software will return future cost savings in building inspector time, administration and one-use investments.

**Communications & Community Action Plan Impact:**

This report has been written and presented to Council to communicate accurate information to the public. Southgate Goal #1-A – Trusted, Timely, Transparent, Decision Making.

**Concluding Comments:**

The recommendation is that Council receive this staff report, and approve the cost to implement Cloudpermit for all three departments, funding the full amount from Building Department Reserves in 2023. Yearly costs will be added to future budgets.

Respectfully Submitted,

**Dept. Head:** Original Signed By  
Bev Fisher, Chief Building Official

**Treasure:** Original Signed By  
Adam Mighton, Treasurer

**CAO Approval:** Original Signed By  
Dina Lundy, CAO

**Attachment(s):**

1. Buyers Guide for Cloudpermit
2. BuildingPermitting
3. ByLawEnforcemnet
4. PlanningDevelopment
5. Bluebeam markup software. [www.bluebeam.com/solutions/revu](http://www.bluebeam.com/solutions/revu)