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## **Vacant/Derelict Buildings Information Report to Council**

Report Number: INFO-2020-32

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In accordance with the Procedure By-law, any member of Council may make a request to the Town Clerk that this Report be placed on an upcoming Committee of the Whole agenda for discussion.

### **Purpose**

The purpose of this report is to inform Council of the research that Planning staff has done regarding a vacant building registry and derelict building development charge credits.

### **Background**

This information report came as a result of Council expressing an interest in finding ways to reduce the occurrences of vacant/derelict buildings that exist throughout the Town. Specifically, Council at its September 30, 2020 meeting requested “that staff circulate an information report related to derelict properties, including information regarding demolition requirements and any impediments that may apply”. In certain instances, vacant/derelict buildings can negatively impact neighbourhoods and individuals by becoming dilapidated, thereby causing hazards, becoming unsightly, becoming infested with pests and attracting trespassers.

### **Discussion**

As discussed below, there are two main ways municipalities can address vacant/derelict buildings: through the use of vacant building by-laws and registries, and by providing development charge credits.

### **Vacant Building By-laws and Registries**

Some municipalities have adopted a Vacant Building Registry to reduce the number of vacant buildings. Generally, a Vacant Building Registry is a list of buildings that have been vacant for a certain period of time in accordance with a corresponding Vacant Building By-law.

This Registry is governed by a *Municipal Act* by-law, which typically sets out requirements/process such as registration; owner's responsibilities; inspection by municipal by-law enforcement staff, and a penalty. Some municipalities such as [City of Brampton](#) and [City of London](#) have Vacant Building By-laws, but they do not have Vacant Building Registries; some have both. Municipalities that have established a vacant building by-law, but without a registry tend to focus more on safety from Building Code and Fire Code perspectives. Those that have established a Vacant Building Registry also focus on on-going monitoring of vacant buildings. Attachment 1 provides a comparison of Vacant Building By-laws/Registries from City of Brantford, City of Hamilton, and City of Welland.

Table 1 below sets out some of the advantages and limitations for establishing a vacant building by-law and/or registry.

Advantages	Limitations
Regulates standards for vacant buildings to ensure public safety and reduce urban blight	Reactive – does not prevent buildings from becoming vacant
Helps monitor the number and status of vacant buildings in the Town	Requires additional resources such as administrative, legal, IT, enforcement and finance to establish and enforce the by-law, and maintain the registry
Provides clear expectations for land owners to maintain safe conditions for vacant buildings	

Town of Whitchurch-Stouffville has a [Vacant Building By-law](#), but instead of establishing a Vacant Building Registry, the Town requires all vacant buildings or significantly damaged buildings to be boarded up with specific requirements. Examples of [boarding requirements](#) include painting the boards, covering the windows matte black to resemble window glass and boards covering the door, which must be properly fitted and painted with a colour that matches the original door.

Planning staff also reviewed how municipalities in other provinces deal with vacant buildings. The City of Winnipeg takes a slightly different approach where its emphasis is more on permitting, fees and enforcement. The City's [Vacant Buildings By-law 79/2010](#) contains detailed provisions regarding maintenance standards and security standards of vacant buildings (see Attachment 2). Furthermore, in addition to Annual Inspection Fees (\$605-\$1200) and Vacant Boarded Building Permit Fee (\$2420 a year for residential and \$2420 - \$7795 for commercial), the City of Winnipeg also added an Empty Building Fee as of January 1, 2020. The Empty Building Fee will be applied annually until such time that the vacant building has been inspected and is determined by the designated City employee to be reoccupied in accordance with the City's Vacant Buildings By-law (see Attachment 2).

## Development Charge Credits

A more proactive approach to encouraging redevelopment of derelict buildings is to provide development charge (DC) credits. It is understood that in some instances, landowners/developers are

hesitant to demolish a derelict building until building permits are issued, because the building will provide DC credits to the proposed redevelopment. Currently, the Town's Development Charges By-law provides a DC credit for 60 months at 100% from the day a demolition permit is issued. Some municipalities include specific policies for derelict buildings in their DC by-laws. For example, the Town of East-Gwillimbury extends the reduction of development charges from the standard 60 months to a maximum of 120 months from the date of the demolition permit to the date of the building permit to facilitate redevelopment. [York Region](#), [Town of Aurora](#) and [City of Richmond Hill](#) provide development charge credit for up to 120 months from the demolition of the derelict building. The amount of credit is determined by how soon a new building is erected. Table 2 below shows the credit structure that is being used by York Region, the Town of Aurora and the City of Richmond Hill:

**Table 1: Development Charges Credit**

<b>Number of Months from Date of Demolition Permit to Date of Building Permit Issuance</b>	<b>Credit Provided (%)</b>
Up to and including 48 months	100
Greater than 48 months up to and including 72 months	75
Greater than 72 months up to and including 96 months	50
Greater than 96 months up to and including 120 months	25
Greater than 120 months	0

The Town may wish to consider adopting the same policies as York Region for administrative efficiency purposes.

## **Built Heritage Protection**

The Town benefits from a large stock of older buildings, some of which are designated under the *Ontario Heritage Act*, and others are on the municipal list of non-designated properties. This building stock is celebrated and forms a point of pride for residents. It is recognized, at times, there can be competing priorities between encouraging the demolition of vacant/derelict buildings and preserving our cultural heritage resources. Should Council pursue a course of action to reduce the instances of vacant/derelict buildings, special emphasis should be placed on doing so in a way that safeguards our built heritage. For example, this may involve including all designated and listed properties in any future Vacant Building Registry, but excluding them from DC Credit program.

## **Options for Council's Consideration**

Based on staff's research, below are a couple of options for Council's consideration:

### **Option #1 – Maintain Existing Regulations**

Similar to the City of Brampton and the City of London, Section 22 of the Town's Property Standards By-law 2017-62 requires vacant properties to comply with the following regulations:

- Properties must be protected against risks such as fire or accidents;
- Buildings must be securely boarded to prevent entry or trespassing; and
- Buildings left vacant for more than 90 days shall ensure all utilities are properly disconnected.

Under the Town's Fees and Charges By-law, a re-inspection fee of \$182 may be charged to any property owner if a Property Standards Officer is required to re-inspect a property for compliance.

By maintaining this option, the Property Standards Division can now enforce the above provisions of property standards under the Administrative Monetary Penalty System (AMPS), allowing tickets to be issued for noncompliance. Any outstanding work may also be undertaken by a Town contractor and costs recovered through municipal taxes. Council may elect to monitor compliance rates through AMPS prior to considering alternative options

### **Option #2 – Introduce a Vacant Building Registry Program**

In addition to the existing property standards requirements established for vacant properties, other regulations may be imposed to further promote occupancy or demolition of a vacant building within Town. Such considerations include:

- The requirement to register a vacant building with the Town;
  - Registration includes an annual fee;
  - Additional fees are charged for ongoing re-inspections by Fire, Building, or Property Standards; and
  - A registry may also establish a time limitation for compliance (e.g., a property owner is only permitted to register for up to 24 months before being required to take action to occupy, sell, restore, or demolish the vacant building if ongoing violations remain);
- Additional regulations to require the vacant building or property to remain free from infestation of pests;
- The requirement for property owners to inspect the property every two weeks for compliance (or arrange for an agent to);
  - This provision also requires the property owner to maintain records and provide these records upon request; and
- Empower a Property Standards Officer to issue an Order, which will require the property owner to fully restore or demolish a vacant building.

This option and the regulatory changes proposed may also be enforced under AMPS, with the process for doing so highlighted in option #1 above.

## **Conclusion**

Vacant and/or derelict buildings sometimes pose safety concerns to the community. Different municipalities take different approaches in the attempt to reduce the number of vacant buildings or manage the conditions of such buildings. At a minimum, municipalities require vacant and/or derelict buildings to be in safe condition under the *Building Code Act* and *Fire Code Act*. Some municipalities take steps to discourage vacant/derelict buildings to remain for extended periods of time by imposing extra

fees/charges or encouraging redevelopment of derelict buildings by providing development charge credit.

## **Business Plan and Strategic Plan Linkages**

- Long-term Financial Sustainability
- Extraordinary Places and Spaces

## **Consultation**

This report includes input from Regulatory Services and Financial Services.

## **Human Resource Considerations**

None

## **Budget Impact**

None

## **Attachments**

- Attachment 1 – City of Brantford, City of Hamilton and City of Welland Vacant Building By-laws Comparison Table
- Attachment 2 – Excerpts of City of Winnipeg Vacant Building By-law Schedule A Maintenance Standards for Vacant Buildings; Schedule B Security Requirements for Vacant Buildings, and Schedule C Re-Occupancy Standards for Vacant Buildings

## **Contact**

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## **Approval**

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