



BUILDING A GREATER GTA
Building Industry and Land
Development Association

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| Communication |
| COUNCIL: Nov 15/16 |
| CW(WS) Rpt. No. 40 Item 2 |

November 4, 2016

Mayor Maurizio Bevilacqua &
Members of the Committee of the Whole
City of Vaughan
2141 Major Mackenzie Dr.
Vaughan, Ontario
L6A 1T1

Via: clerks@vaughan.ca

RE: ***November 7, 2016 – Committee of the Whole Meeting, Item #2
Introduction of New Licensing Categories and Late Renewal Fees***

The Building Industry and Land Development is in receipt of the staff report 'Introduction of New Licensing Categories and Late Renewal Fees' being presented for consideration to the November 7th meeting of the Committee of the Whole, and offers the comments below, on behalf of its' renovator members, related specifically to staff's proposal to license Renovators in the City of Vaughan, and various associated items.

BILD would like to thank staff for their consultation to date on this file, and for their recognition of the BILD RenoMark™ program. Our members at BILD are the professional infill builder, renovator and contractors who obtain the necessary licenses and insurance coverage, present written contracts, offer warranties to their clients, and work with City inspectors.

In 2015, there were over 96,000 jobs in home renovation and repair, representing a major source of employment in the GTA. In York Region specifically, there were over 20,000 jobs in 2015, amounting to \$1.1 billion in wages, and \$3 billion in investment value. Residential renovation is essential to the Greater Toronto Area's economic foundations, job creation, housing quality and long-term prosperity.

Upon review of the proposed items in staff report 'Introduction of New Licensing Categories and Late Renewal Fees', we put forward the following **recommendations, observations and questions for your consideration** which are elaborated upon further in to this correspondence.

Summary of Recommendations:

1. ***BILD recommends that the City of Vaughan, prior to this report being approved, confirm that BILD's RenoMark™ program is, in-fact, recognized as a "City-approved professional association" as reference above, and that the BILD members belonging to the RenoMark™ program are entitled to the "20% discount on their licensing fees."***
2. ***BILD recommends that the City of Vaughan list its' licensed renovators on their web-site, and that on this same web-site, dedicate an area highlighting the RenoMark™ program (or a link to www.renomark.ca), as other municipalities have, such as the City of Toronto.***

3. ***BILD recommends that, as a way to discourage the underground economy, that applications submitted by a RenoMark™ renovator also receive priority, and streamlined service for review and approval of their applications.***
4. ***BILD requests clarification as to how the licensing provisions are going to be considered by the City in the instances where home builders are also involved in renovation-type projects.***
5. ***BILD recommends that the custom home builders/ renovators who have a TARION license be exempt from the licensing provisions of the proposed by-law.***
6. ***BILD recommends a transitional grace-period of 30 days after the notice of this new by-law is issued be instituted, and that it apply without penalty for those renovators impacted.***

Related to the following staff proposals:

- ***'That an initial licensing fee of \$360.00 and a renewal fee of \$180.00 for each of the business categories above (lists renovators) be established with future year increases to these fees being aligned with those of other business licenses;***
- ***That licensees belonging to **City-approved professional associations** be extended a **20% discount on their licensing fees** and that such a discount be contingent on the licensee having no licensing convictions in the three years immediately prior to licence issuance or the licence renewal date, or any threshold violations;..'***

BILD would like to take this opportunity to recommend that the City of Vaughan, prior to this report being approved, confirm that BILD's RenoMark™ program is, in-fact, recognized as a "City-approved professional association" as reference above, and that the BILD members belonging to the RenoMark™ program are entitled to the "20% discount on their licensing fees."

RenoMark™, endorsed by our partner associations at the Canadian Home Builders' Association and the Ontario Home Builders' Association was established by the Building Industry and Land Development Association to identify professional contractors who have agreed to abide by a renovation-specific Code of Conduct. The renovations-specific Code of Conduct that RenoMark™ members have **agreed to abide** to is as follows:

- Be a member in good standing of the local Canadian Home Builders' Association
- Abide by the Association's Code of Ethics (<http://www.bildgta.ca/whoweare/codeofethics>)
- Provide a detailed, written contract (including scope of work) for all jobs
- Offer a minimum two year warranty on all work (excludes minor home repair)
- Carry a minimum of \$2 million liability insurance
- Have coverage for workplace safety and employers' liability and/or work only with subcontractors who carry such coverage
- Carry applicable licenses and permits
- Have access to information, education, training and professional development through membership in the Association
- Maintain a safe and organized website
- Return phone calls within two business days

You will notice that many of the above points are directly correlated to the City's proposal as outlined in the staff report before you, **which reinforces our request to confirm that the City**

verify that RenoMark™ members are entitled to the above noted benefits. The staff report notes:

- *"That the above businesses being recommended for licensing (includes renovators):*
 - (a) comply with all applicable by-laws;*
 - (b) complete all work in accordance with the standards set out in all relevant by-laws;*
 - (c) inform all their residential clients, in writing, of the by-laws applicable to the work for which they are being engaged, including the requirement for any permits;*
 - (d) provide a written contract to their prospective clients that includes a schedule of payment and work to be carried out;*
 - (e) carry a minimum of \$2 million liability insurance;*
 - (f) demonstrate to the City that all eligible workers are protected under the provisions of the Workplace Safety and Insurance Act;..."*

BILD renovator members have voiced some concern regarding staff's recommendations that the *"business being recommended for licensing (includes renovators)... (g) display their Vaughan licence number on any vehicle and signage used for purposes of conducting their work in a conspicuous location on the vehicle or sign in legible letters of contrasting colour that are no smaller than 10 centimetres in height; (h) display their Vaughan licence number on any visual advertising for use or distribution in Vaughan, including but not limited to signs, flyers, pamphlets, publications, and web sites;..."*.

BILD renovator members quite often conduct their business across the GTA and to require that they *"display their Vaughan license number on any vehicle"* may be an unreasonable request. If this was a licensing request of all other municipalities, it would result in several numbers displayed on work vehicles, which is not necessary. The same thought applies for the requirement to display the license



number on visual advertising such as signage, and by the description included in the above staff report reference, this could hypothetically include business cards. Again, BILD renovator members work in all areas across the GTA, and listing all license numbers isn't necessary especially where there are other ways for the citizens of the City of Vaughan to determine if a renovator is licensed with the City. For example, the City of Vaughan could include a directory of those licensed members on an appropriate web-page. Also, the RenoMark™ brand and logo have become widely recognized, and those belonging to the program – all whom are licensed - proudly display this logo on their work vehicles, business cards, signs, flyers and business-related publications. If the citizens of Vaughan come to recognize this logo, and the associated program, they will understand that any company carrying this brand is affiliated with a "mark of excellence", high standard, and professional association's code of ethics to which they adhere to, AND, is a licensed renovator.

Therefore, for the benefit of the City of Vaughan's citizens, BILD recommends that the City of Vaughan list its' licensed renovators on their web-site, and that on this same web-site, dedicate an area highlighting the RenoMark™ program (or a link to www.renomark.ca), as other municipalities have, such as the City of Toronto.

At www.renomark.ca -- it is here that the City of Vaughan citizens would come to recognize and understand the role of the renovator, the role of the homeowner, have access to a Renovation Guide: *"Before you Renovate - Five Steps to a Worry-free Renovation"*, and will be directed to how they can find a RenoMark™ renovator.

RenoMark™ renovator members believe in professionalism. They are committed to their industry and to their businesses and are willing to pay annual dues to keep informed and to help educate consumers. Again, they have legitimate business licenses, do not support the underground economy of renovators who avoid paying taxes and operate “fly-by-night” and “cash only” businesses. RenoMark™ renovator members are those that the City of Vaughan want operating in their world-class municipality.

RenoMark™ renovator members are also informed. Information and education are important benefits of association membership and member contractors are the first to know about changes in building codes, municipal requirements, health and safety regulations and more through courses, information sessions, and communications programs offered by BILD and partnering associations.

RenoMark™ renovator members understand that keeping lines of communication wide open is the key to a successful job and a happy client – a happy City of Vaughan citizen. Our members believe in treating not only their clients appropriately, but also deal fairly with trade contractors and employees. Hiring a professional means that the details like ensuring all necessary approvals and permits are in place, all employees and sub-contractors have the provincial workers’ compensation coverage, and obtaining the appropriate insurance are not only taken care of, they are readily available. Our members offer a warranty and after sales service and provide potential clients with a list of referrals.

BILD would also like to recommend that, as a way to discourage the underground economy, that applications submitted by a RenoMark™ renovator also receive priority, and streamlined service for review and approval of their applications. This would serve to promote industry professionals, and attract the above-grade projects that are desired by the City of Vaughan.

It is important to note that in this type of dynamic community building, that many home builders also find themselves in the business of home renovating. ***BILD, therefore, requests clarification as to how the licensing provisions are going to be considered by the City in the instances where home builders are also involved in renovation-type projects.*** As a potential way to identify those custom builders who are also renovators, ***BILD recommends that the custom home builders/renovators who have a TARION license be exempt from the licensing provisions of the proposed by-law.***

Regarding transition, BILD would like to request that staff confirm that a transition period is contemplated, and that one be approved by the Committee of the Whole, to recognize projects or applications in process prior to this proposed by-law being finalized. It is important to maintain a grace period for those renovators who have already started a renovation project, but did not have a license at the time that this new by-law was approved. ***BILD recommends that this transitional grace-period be for a period of 30 days after the notice of this new by-law is issued, and that it apply without penalty for those renovators impacted.***

Additional questions to be answered prior to adoption of a new by-law to license renovators:

- Will there be a competency test in order to obtain a license, and if so, how will it be administered, and by whom? In relation, if a renovator is already licensed in another GTA municipality, will they be required to take a test?
- What are the ramifications if a renovator who may or may not carry a valid license from another municipality begins a project in the City of Vaughan and does not carry a City of Vaughan license?

Is there a system of an initial warning in this circumstance, and will the project that has commenced be permitted to proceed?

BILD is of the mind that the “problematic renovation projects” that the City of Vaughan may experience are most likely not the result of the professional and diligent actions of the majority of the members of our association. It is for this reason that we support staff’s effort to level the playing field across the industry, with the aim to having the same rules apply across the board, and we are happy to work with City staff on this initiative moving forward. It is in our collective best interest to work collaboratively for our mutual consumer – the resident and neighbours of the City of Vaughan.

We look forward to a continued working relationship with our partners at City Hall, in order to build an even more successful renovation industry and to better serve our mutual customer, which are the residents of this great City.

Thank you for taking our comments and recommendations in to consideration.

Yours truly,

A handwritten signature in black ink, appearing to read 'Paula J. Tenuta', with a stylized, cursive script.

Paula J. Tenuta, MCIP, RPP
Vice President, Policy & Government Relations

CC. Jon Carlos Tsilfidis,
BILD Renovator Council Chair, BILD Renovator Government-Relations Subcommittee Chair
Rudi Czekalla-Matinez,
Manager, Policy & Business Planning, By-Law & Compliance, Licensing & Permit Services, City of Vaughan