



OFFICE OF THE
City Auditor

Landscaping Securities

August 28, 2014

The Office of the City Auditor conducted
this project in accordance with the
*International Standards for the
Professional Practice of Internal Auditing*

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Executive Summary

Through *Zoning Bylaw 12800*, the City of Edmonton requires applicants for development permits to agree to install landscaping as part of development projects. Applicants provide landscaping drawings for approval, and submit a refundable security deposit with the City to ensure that the landscaping is installed in accordance with the approved plans. The City currently holds 1,140 landscaping securities, in the amount of \$51,191,326. The Manager of the Current Planning Branch requested that the Office of the City Auditor provide assistance related to the process used to manage these securities.

The objective for this project was to evaluate the effectiveness of the current and the proposed landscaping securities processes.

We identified a number of risks and opportunities related to the process currently in place to manage landscaping securities, principally:

- There is currently no regular, documented review of outstanding development permits with landscaping conditions attached. This reduces the effectiveness of landscaping securities management.
- There is a history of not enforcing development permit conditions, which may have resulted in the Bylaw being seen as ineffective. Continuing operations without using enforcement will contribute to future buildup of securities held.

The development process can reasonably take six years to complete, including a two-year landscaping warranty period, and as such our review focused on securities held for more than six years. The City currently holds 308 security deposits related to permits applied for in 2007 or earlier, with the oldest being held for 36 years. These non-current securities represent \$5,948,972 of the total amount mentioned above. We provided management with a detailed list of potential options for trying to address and reduce the balance of these old securities.

We recommended that Management implement changes to the landscaping security process, ensuring that any changes made appropriately mitigate risks with the process. We also recommended that a course of action be formulated and implemented to address the non-current securities being held.

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Landscaping Securities

1. Introduction

Development and Zoning Services is one of seven sections within the Current Planning Branch, in the Sustainable Development Department. Development and Zoning Services is responsible for issuing development permits and ensuring that applicants comply with permit conditions, including landscaping requirements.

The Manager of Current Planning requested that the Office of the City Auditor (OCA) assist with evaluating the management of landscaping requirements. In response, we included an audit of Landscaping Securities in our annual work plan.

2. Background

2.1. Landscaping Securities Process

When a development permit is approved by the City there are usually a number of conditions attached to that permit, including minimum landscaping requirements, submission of a landscaping plan for review and approval, and a requirement to provide a security equal to the value of the landscaping. Authority to administer these requirements is found in *Edmonton Zoning Bylaw* 12800 Section 55 and *Municipal Government Act* Sections 640 and 645.

As stated in Bylaw 12800:

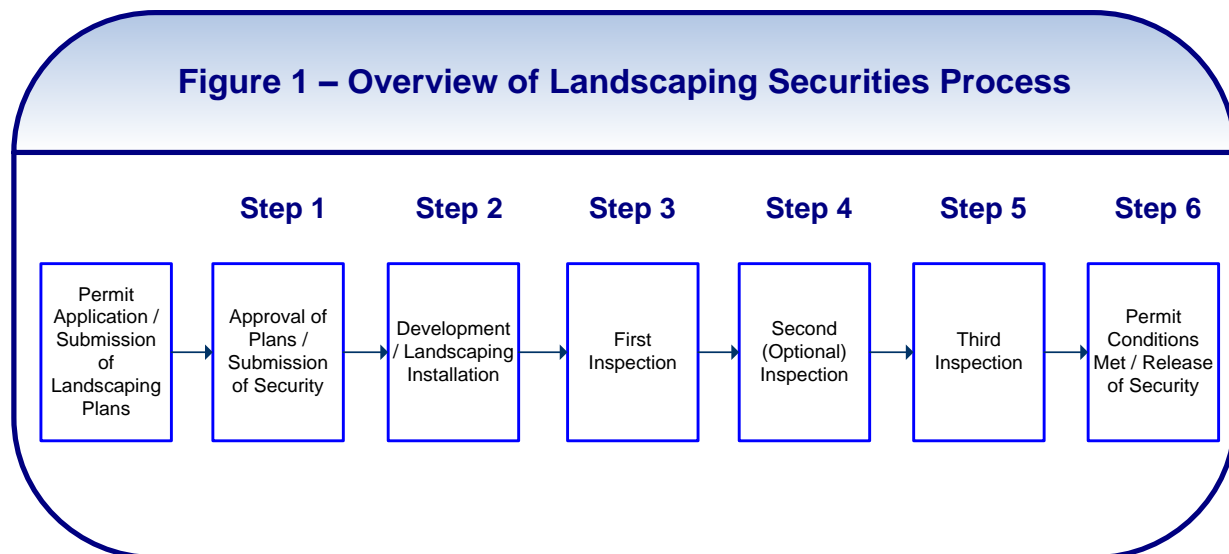
The intent of (the) Landscaping regulations is to contribute to a reasonable standard of liveability and appearance for developments, from the initial placement of the Landscaping through to its mature state, to provide a positive overall image for Edmonton and to encourage good environmental stewardship.

The Bylaw provides details on the landscaping requirements, submission of security, inspections and release of the security. These requirements allow the City to make progress towards multiple goals and objectives included in strategic plan documents *The Way We Live*, *The Way We Green* and *The Way We Grow*, as well as Sustainable Development objectives of creating a more sustainable community and attracting investment.

Permit applicants are required to provide either a letter of credit or cash security deposit to ensure that landscaping is completed in accordance with the approved plan, and that it is maintained and healthy for two growing seasons after installation. As at July 21, 2014, the City held over \$51 million in landscaping securities, composed of \$13.9 million cash and \$37.3 million in letters of credit.

There are multiple ways to ensure landscaping requirements are met, however, two methods are more prevalent in North American municipalities – restricting occupancy of a property until conditions are met, or holding a security deposit to be released to the permit holder once conditions are met. Each method has different advantages and disadvantages, and the City has historically chosen to use the second method.

A high-level overview of the landscaping securities process is included as Figure 1.



The developer or property owner will apply for a development permit, which will have a number of conditions attached. As illustrated in Figure 1, there are six high-level steps required to go through the landscaping securities process. For purposes of this audit, our review focused on the landscaping-related process as opposed to development permits as a whole.

- Step 1** – A Landscape Architectural Technologist reviews the landscape plan to ensure it meets Bylaw requirements, and reviews the cost estimates for reasonability, prior to the Development Officer approving the landscape plan. A security must be provided prior to release of drawings for building permit review.
- Step 2** – Development work is performed. This may take multiple years depending on the nature of the development. Lot grading approval should be sought by the permit holder, and then landscaping installed.
- Step 3** – Once landscaping is installed, the permit holder should request an inspection. A City Inspector performs the inspection between May and September (the growing season) and informs the permit holder of any deficiencies related to the permit. This inspection generally represents the start of a two-year maintenance period during which the permit holder

guarantees the health of the landscaping. If deficiencies are noted, this step may be repeated multiple times.

Step 4 – After one growing season has passed, the permit holder is able to request another inspection; if the landscaping is still healthy and in accordance with the landscape plan, the City may release up to 50% of the security held.

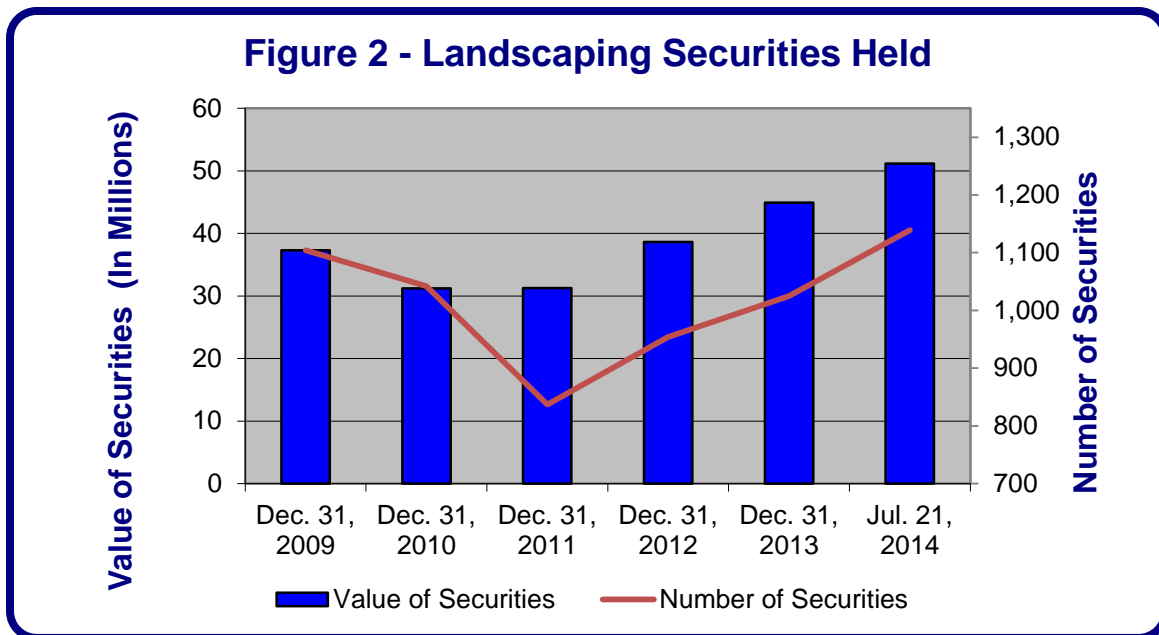
Step 5 – After a second growing season has passed, another inspection is performed to determine if the landscaping has been maintained through two growing seasons.

Step 6 – Once the conditions of the development permit are met, the landscaping security can be released to the permit holder.

There are certain conditions that may prevent the release of security, such as the absence of lot grading approval, or other Bylaw infractions.

2.2. Securities Held & Section Activity

The number of securities held has been growing substantially in recent years. Figure 2 shows the balance of security held since December 31, 2009, as well as the number of individual securities.



As shown in Figure 2, from 2009 to 2011 there was a reduction in the number and value of securities held. From 2012 to 2014 the number and value of securities increased. During this time period, more permits with landscaping conditions were issued and fewer securities were released. In each of the past five years, the City has collected an average of 154 new securities.

We included July 21, 2014 data as a reflection of the most current information available. We did not find a strong mid-year seasonal fluctuation in the number of securities held, and as such the comparison with the past five sets of year-end data is appropriate.

Development permits may be applied for at any time of the year, but landscaping inspections are performed between May and September. The majority of Inspectors are seasonal employees who must complete City-required and job-specific training, which restricts their availability for performing inspections to late-May through late-August.

Demand for landscaping inspections can vary dependent on the number of development permits and on the timing of landscaping installation completed by the permit holders.

Landscaping inspections are typically not performed until at least the second or third year after permit issuance. From 2010 to 2013, the Inspectors performed an average of 755 landscaping inspections per year. Each development can be expected to have between 2 and 3 landscaping inspections performed prior to release of the security. Additional inspections may be required in situations where deficiencies are identified.

3. Project Objective, Scope & Methodology

3.1. Objective

Our objective for this project was to evaluate the effectiveness of the current and the proposed landscaping securities processes.

We considered an effective process to be one that has controls in place to appropriately mitigate risks to an acceptable level.

3.2. Scope

Our audit focused on the management of the landscaping securities process, as performed by Development and Zoning Services. This process relates to Commercial, Industrial and Multi-Family Residential Development only, and does not address Single-Family housing. We did not assess operations of any other areas of the City such as Development Compliance and Inquiries (Bylaw enforcement), or the Drainage Services branch lot grading inspection process.

The landscaping development securities process life cycle can often take up to six years. For example, a building can take several years to construct, an additional year for landscaping installation, plus two years for warranty. Accordingly, our audit focused on “substantially old” securities held for greater than six years, as securities held for less time can be considered current.

3.3. Methodology

Through interviews with Development & Zoning Services staff members, we documented the process used to manage landscaping securities and identified potential risks within that process. We also documented proposed alternatives to the current process and evaluated the impact that a change in process would have on those risks.

In order to gain an understanding of how the process has been managed, we tested a sample of open development permits with landscaping securities held. We reviewed any available related information, security submission details, inspection reports, and communication with permit holders.

We documented some potential ways for the City to address the substantially old securities. Additionally, we assessed risks related to the different options, with a focus on how each of them impacted the achievement of City and Department objectives.

4. Observations and Analysis

4.1. Current Process

The current process for managing landscaping securities is based primarily within the Development Approvals Area of the Development and Zoning Services Section. The process is intended to coordinate the requirements of Section 55 of the Zoning Bylaw, to help ensure that appropriate landscaping is installed and maintained for major developments.

The landscaping securities process begins when an application for a development permit requiring landscaping installation is submitted by a permit applicant. Landscaping plans and installation costs are reviewed by the Section for compliance with Bylaw requirements. Once approval is granted, the permit applicant must submit a landscaping security deposit. It is up to the permit holder to complete the landscaping installation and contact the City for the first inspection. A City Landscape Inspector will inspect the work and identify any deficiencies requiring attention, which may necessitate further inspections. Once all deficiencies are addressed and the two-year maintenance period has passed without further deficiencies, the landscaping will be approved and the security deposit released.

In the event that the permit holder does not complete the required landscaping, or fails to maintain the landscaping, the City can enforce those conditions through powers granted in the Zoning Bylaw. These enforcement powers allow the City to issue violation notices and if those notices go unheeded, the City can contract out resources required to complete any work necessary. If the security held by the City is insufficient to cover the cost of this work, the City is able to invoice the property owner or to recoup any cost overruns through the property tax roll.

In performing our work, we evaluated the process and any potential changes within the context of certain City and Department objectives. The primary objectives we took into account were:

- Meeting requirements and regulations contained within the Zoning Bylaw;
- Being green, for both the environmental benefits as well as the increase to general City aesthetic attractiveness and livability; and,
- Attracting investment and encouraging development.

The landscaping securities process is primarily overseen by a General Supervisor, with one full-time Landscape Technician, one part-time Planning Technician (seasonal) and up to four seasonal Landscaping Inspectors hired from May through August of each year.

Securities held are classified as Letters or Credit, Cash, or Forfeited Securities. The Forfeited classification is the result of an attempt in 2010-2011 to reduce the amount of security on hand. They relate to permits found not to be in compliance with landscaping conditions, where attempts were made to contact the security provider to address the issue.

4.1.1. Process Review and Risk Identification

From a review of the process, we identified a number of risks to the achievement of program objectives.

1. Incentive for permit applicants to minimize cost estimates

Permit applicants are required to post a security deposit equivalent to 100% of the cost to install landscaping materials. The intent of this requirement is so that if the permit holder does not install the landscaping, the City would have access to funds to complete landscaping installation. If not enough security is collected and the City subsequently needs to perform landscaping installation due to permit holder default, there may be insufficient funds available.

The permit applicant supplies estimated costs, and as such there is an inherent incentive for the applicant to minimize or under-represent that amount. By minimizing the estimate and thereby the security requirement, the applicant retains more capital.

In order to address this risk the Development Approvals Area has recently started to require that the Landscape Technician review the cost estimates as part of the approval of plans. The Landscape Technician is knowledgeable with respect to landscaping costs and requirements, and reviews estimates to ensure that they are adequate.

2. *Impact of the time value of money*

As time passes, the buying power of money is negatively impacted by inflation, which reduces the ability of a security deposit to cover the current costs of landscaping installation.

Even with a Landscape Technician reviewing cost estimates, requiring a security up-front does not take into account the impact of potential future inflation during the development and landscaping portions of a project, or the future maintenance costs.

With all cash securities, and with Letter of Credit securities submitted outside of the growing season, inspections are generally not performed until the permit holder or property owner requests them. In many cases the permit holder does not request an inspection and one is only conducted once Development & Zoning Services identifies the need to complete it. If inspections are not performed in a timely manner, inflationary pressure will increase costs and any work required to be performed by the City may be underfunded.

3. *Ineffective use of resources*

Under the current process, once Letters of Credit are submitted during the growing season, an inspection date is triggered for future years. In some cases, Inspector resources are being used to inspect sites where landscaping is not complete. This is not an effective use of Inspector resources.

Through discussions with staff, it was determined that few City-initiated conversations take place with the permit holder to determine if landscaping is ready for inspection. This practice adds to the issue of ineffective use of resources. Communication with permit holders, prior to inspection, can improve on the use of Inspectors time and prevent unproductive inspections.

4. *Need for enforcement*

Enforcement action has rarely taken place as it relates to landscaping securities. Since 2011, only 39 violation notices relating to landscaping commercial, industrial or multi-family residential properties have been issued. There have been no instances where the landscaping security has been used by the City to complete landscaping installation.

This is a substantial risk. If the City shows a history of not enforcing development permit conditions, the Bylaw may come to be seen as ineffective by the

development community and will contribute to future accumulation of securities held. Not enforcing landscaping conditions also worsens the ability of the City to make use of landscaping securities in a timely manner.

5. *Landscaping securities management*

There is currently no regular, documented review of outstanding development permits with landscaping conditions attached, which can negatively impact the effective management of landscaping securities.

We observed that POSSE processes are not used to track landscaping securities on an ongoing basis. Approximately 20,000 Development Permits currently show in POSSE as having open landscaping-related processes. Development & Zoning Services is reliant on Finance to provide a list of securities held. If properly set up, POSSE could be used as a management tool for tracking permits and landscaping conditions, as well as scheduling inspections.

We were informed that a large number of development permits, with landscaping conditions attached, were recently discovered in long-term storage. Many of these permits did not have a security collected, nor have they ever been inspected. Without collecting securities or ensuring landscaping has been installed as approved, the City is unable to make progress towards meeting its objectives. See Section 4.1.2 for additional details related to these permits.

6. *Maintenance period*

There is a risk in the current process that if not enough security is collected, or if the security is released too early, there is no guarantee that landscaping will survive through to a mature state. This is part of the purpose for the Landscaping Bylaw, and impacts the City's objectives.

This risk is currently mitigated by the requirements of the Bylaw, which refers to the livability and appearance of landscaping through to its mature state, and the inclusion of a two-year maintenance period.

4.1.2. Detailed Testing of Forfeited and Substantially Old Accounts

In performing this audit, we chose a sample of development permits with landscaping conditions attached and sought to obtain information related to those files. The purpose of this testing was to gain a better understanding of how past landscaping securities have been managed. With development permits often taking six years or more (including construction, landscaping and the maintenance period), our testing focused on accounts with securities that were submitted in 2007 or earlier. We chose a sample of 16 development permits with forfeited securities, and 16 development permits that were issued over six years ago. These 32 permits represented 10.6% of all permits

greater than six years old, or 35.5% of the value of securities held for longer than six years.

Table 1 shows the breakdown of samples reviewed, with respect to their aging.

Table 1 – Testing Sample Details

| Security Submission | # of Samples |
|---------------------|--------------|
| 1978 | 1 |
| 1980's | 6 |
| 1990's | 5 |
| 2000 - 2007 | 20 |

When we attempted to obtain documentation related to the sampled permits, we encountered difficulties in finding relevant landscaping-related information. Of the 32 sample items:

- Six of the samples had absolutely no documentation, electronic or paper;
- Six of the samples had a minimal amount of documentation available; and,
- The other twenty samples had enough information available to determine the course of events taken by the Development Officers and Landscaping Inspectors.

During the course of this audit, Development & Zoning Services commenced a project to digitize all existing landscaping-related documentation and to create standardized requirements for what is retained. This is expected to reduce future issues with lack of information on file. As part of this project, an undetermined number of files are being pulled from the City Vault Storage facility and being internally reviewed. Section staff identified multiple instances of development permits for which landscaping securities were never collected or inspections performed. It should be noted that the majority of these permits were applied for fifteen or more years ago.

When testing the Forfeited and the Substantially Old accounts there were numerous samples with inconsistencies in how files were handled. For instance:

- One permit had a 50% release and then two weeks later had a Forfeiture letter prepared (it is unclear as to whether this letter was actually sent).
- One permit had a note to release the security in June 2013, but was not released until July 2014.

- Three permits had appropriate landscaping installed in 2012 / 2013 and were ready for release of security in the following year. They were not released and were not scheduled to be addressed again in 2014.
- None of the permits sampled had evidence of violation notices ever being sent, and no evidence of any enforcement being attempted.
- Generally no attempts are made to communicate with the permit holder, to determine if any action has been taken in the prior year. Inspectors are going to sites and inspecting landscaping without any information to suggest that the City will be able to release the security held.
- From our sample, we noted nine permits with at least 4-6 inspections to date, two permits with at least 7-9 inspections, and three permits with over 10 inspections performed.

Inconsistent management of the landscaping security process can lead to ineffective use of resources and puts the City's and Department's ability to meet objectives at risk.

4.1.3. Addressing Old Securities

One of the primary reasons for the Current Planning Branch Manager requesting this audit was the buildup of substantially old securities being held. As noted in Section 3.2, our audit focused on securities held for greater than six years, as anything received within the past six years could legitimately be considered current. Table 2 shows the number and amount of landscaping securities held by the City as of July 21, 2014, compared to what those numbers would be if all amounts were current, or the "ideal state" whereby nothing has been held for greater than six years.

Table 2 – Securities Held as at July 21, 2014

| Security Submission | # of Securities Held | Amount of Security |
|--|----------------------|---------------------|
| 1978 | 1 | \$1,500 |
| 1980's | 14 | \$40,046 |
| 1990's | 65 | \$430,130 |
| 2000 – 2007 | 228 | \$5,477,296 |
| Total of Substantially Old Securities | 308 | \$5,948,972 |
| 2008 – 2014 (Ideal State) | 832 | \$45,242,354 |
| Total of All Securities | 1,140 | \$51,191,326 |

Under the current Bylaw, the City has the authority to use enforcement powers to complete the landscaping work and invoice the permit holder for amounts spent in

excess of the security held. However, the fact that some of the securities have been held for 20 or more years would prove troublesome from a reputational perspective, if the City were to enforce these landscaping conditions to that extent.

We provided Management with a detailed list of potential options for trying to address and reduce the balance of old securities. This was done after consultation with the City Law Branch and other staff within Current Planning. Each option carries varying degrees of risk attached to them (financial, reputational and legal), and no one option will likely be appropriate to address each of the old securities on hand.

Examples of possible solutions include commencing enforcement action on the permits and making use of whatever security is held for landscaping purposes, working with permit holders to install additional landscaping, or releasing the funds and trying to be more diligent with respect to future developments. Given the level of substantially old securities on hand, the status quo is not recommended as the risk related to the time value of money is ever increasing.

Although the intent of the previous attempt to forfeit old securities was valid, it was not effectively executed. There were a number of issues with the process to forfeit securities, including documentation and tracking of notifications, confirmation of receipt, and we found no evidence of follow-up action ever being performed relating to those securities.

The current landscaping process could be improved by having consistent management practices and procedures in place, which address the risks identified through our detailed testing. Issues may be caused by inconsistency in staffing (the majority of staff involved in the process are only employed by the City for 4-5 months of the year), lack of documented requirements for operations, staff changes throughout the years (loss of knowledge), fluctuating work demand with pre-determined resourcing available, or other factors.

4.2. Process Changes

There are multiple ways to address the risks that are currently faced in the landscaping security process. Options are available within the framework of the current Bylaw or through a redesign of the process, which may require a substantial Bylaw amendment. After consultation with staff, we identified a number of potential process changes and reviewed their ability to mitigate risks.

4.2.1. Updated Current Process

Increasing the amount of security collected to a rate higher than 100% of the landscaping costs, would guard against inflationary pressures (Risk 2 under Section 4.1.1). This would also provide an incentive for permit holders to complete the work in a timely manner. However, this could work against the objective of attracting investment, as more capital would be tied up in the security and not available for permit holder use. Any such changes to landscaping security deposit amounts would require a change to

the current Zoning Bylaw, as it makes reference to security requirements being 100% of landscaping costs.

Communicating with permit holders on a regular basis can achieve multiple benefits. This would be to inform them of the landscaping conditions so they do not forget about the security held or mistake the security to be a fee rather than a refundable security. This would help to prevent the accumulation of landscaping securities. It would allow the City to determine if landscaping work has been performed year to year, and prevent Inspectors from going to a site without any new landscaping installed.

Enforcing the conditions of development permits would reduce the potential for large buildups of security amounts to occur in the future. Developing specific criteria to be used in the determination of when enforcement of landscaping conditions would be necessary.

Requiring a Landscape Architect to certify the installation of landscaping would reduce work requirements on the City. The program would need to be well managed, as there would still be a need to review a sample of landscaping certifications completed by the Landscape Architect.

Implementing any or all of these potential process changes would assist in addressing risks identified in Section 4.1.1.

4.2.2. Potential Development Completion Permit Process

Development & Zoning Services has proposed a substantially different landscaping security process. The proposed process would add a requirement for a Development Completion Permit as a condition of building occupancy, which is similar to the method used by the City of Calgary.

If landscaping is fully installed prior to occupancy, and an inspection reveals it to be in accordance with the approved plans, no security would be required. If, however, landscaping is incomplete, the permit applicant could then apply for a Temporary Development Completion Permit.

Conditions of this Temporary Development Completion Permit would be to:

- 1) Post a security worth 150% of the outstanding landscaping costs;
- 2) Install the landscaping within a predetermined amount of time, likely one year;
and,
- 3) Provide the City with signed authorization to enter the premises if the conditions are not met.

If the landscaping is installed within that timeframe, inspected, and found to be in accordance with the approved plans, the security could be released. If work is not complete within the set timeframe, the City could move to enforcement, issuing violation

notices and then using the landscaping security to install outstanding or deficient landscaping materials.

By restricting occupancy and by setting time requirements for landscaping installation, the use of Inspector resources will be more effective as there should be less inspections taking place where the landscaping has not been installed. In order to gain occupancy the permit holder will have to request that a landscaping inspection be performed.

Estimating the landscaping costs at a later point in time (closer to the actual installation of the landscaping material) will reduce the impact of inflationary pressures. Any inflation experienced, between starting the development work and the point in time when the Temporary Development Completion Permit is applied for, will be taken into account.

To implement the proposed changes, a complete redesign of the process and significant amendment of Section 55 of the Zoning Bylaw would be required.

The proposed process does not address the risk of maintenance warranty. If not enough security is collected, or if the security is released too early, there is a risk that the landscaping will not survive through to a mature state. This is one of the purposes of the landscaping section of the current Zoning Bylaw.

4.2.3. Comparison to Other Municipalities

In response to Development & Zoning Services potentially making changes to the way the Landscaping Securities process is structured and operated, we performed a comparison with publicly available information for nine other North American municipalities, and noted the following:

- Three of the municipalities require a landscaping security to be posted in conjunction with a Development Permit application, similar to Edmonton. The amount of security taken ranged from 110% to 125% of the estimated cost of landscaping. Once landscaping work is completed and inspected, those municipalities will release between 80% and 95% of the security, with the balance held for one to three years to cover maintenance.
- The other six municipalities use some form of Occupancy Permit or Development Completion Permit process to ensure landscaping is installed. For these cities, if landscaping is not complete at time of occupancy, the developer can post a security which ranges from 1% of the total development cost (not just the landscaping) up to a maximum of \$150,000, to 150% of the outstanding landscaping costs.

As a result of limited information publicly available through websites, we contacted staff at four municipalities to further discuss how they manage their landscaping requirements for developments.

From those discussions, we noted the following:

- Regina and Red Deer use an Occupancy Permit process to control landscaping requirements, with no security collected.
- Calgary uses a Development Completion Permit process, and collects a security of 150% of the outstanding landscaping costs at the time of permit application.
- Kamloops collects a security of 125% of the estimated landscaping cost at the time of Development Permit application, which is functionally the most similar to Edmonton.
- The majority of cities stressed the need for communication with permit holders as being key to keeping files current, but also expressed that they would perform landscaping work and charge permit holders or property owners for that work, if that step were deemed necessary.
- Kamloops did note that the City has experienced an increase in the amount of security held over the past few years.

Our comparison with other municipalities highlighted the prevalent usage of the Occupancy Permit or Development Completion Permit process for managing landscaping securities.

5. Conclusion & Recommendations

We identified a number of risks and opportunities related to the current process in place to manage landscaping securities.

There is currently no regular, documented review of outstanding development permits with landscaping conditions attached. This reduces the effectiveness of landscaping securities management.

There is a history of not enforcing development permit conditions, which may have resulted in the Bylaw being seen as ineffective. Continuing operations without using enforcement will contribute to future buildup of securities held.

Currently there is approximately \$5.9 million in landscaping securities being held, which have been in the City's possession for more than six years, with some of the securities being held for more than 30 years.

Recommendations

Recommendation 1 – Changes to the landscaping securities process

The OCA recommends that the Manager of the Current Planning Branch implements changes to the landscaping securities process. These changes should appropriately mitigate the following risks identified within this audit:

- Incentive for permit applicants to minimize cost estimates

- Negative impact of inflationary pressures
- Ineffective use of resources
- Lack of enforcement of landscaping conditions
- Inconsistent program management
- Securities held through maintenance period

Management Response and Action Plan

Accepted

Action Plan: The Current Planning Branch is currently working on a new Development Completion Permit Process as outlined in Section 4.2.2 of this report. This process will require: changes to Edmonton Zoning Bylaw #12800, an introduction of a Development Completion Permit Fee, allocation of resources (FTE's), internal policy and procedures and updating POSSE.

The changes will defer the requirement for Landscape Securities until final occupancy of the building if required, alleviating inflationary pressures. To ensure landscaping is sustainable and survives two growing seasons, a maintenance plan will be required prior to the sign off of the Development Completion Permit. Additional resources will be required on a cost recovery basis to implement the Development Completion Permit inspections. Inspections will monitor compliance, not only with the landscape security, but with the development permit drawings and all conditions of the Development Permit decision. Since February 2014 approved landscape plans have been reviewed by a Landscape Technician to confirm landscaping choices are sustainable and proposed cost estimates are reasonable.

Planned Implementation Date: Q4-2015

Responsible Party: Director of the Development and Zoning Services Section, Current Planning Branch

Recommendation 2 – Non-current landscaping securities held

The OCA recommends that the Manager of the Current Planning Branch formulate and implement an appropriate course of action to address the existing non-current landscaping securities being held.

Management Response and Action Plan

Accepted

Action Plan: The Current Planning Branch has recently allocated two temporary resources to develop a Project Charter to address the security deposits that have

been held longer than 6 years. This action will include contacting the Security Holders to inform them of their outstanding Landscape Security and the action required to bring their development into compliance. For Security Holders that choose to forfeit their security, the Current Planning Branch will work with Materials Management to procure a contract with a vendor to provide remedial action.

Planned Implementation Date: Q4-2015

Responsible Party: Director of the Development and Zoning Services Section,
Current Planning Branch

We thank the staff and management of the Current Planning, Client Financial Services and Law Branches for their assistance and cooperation throughout this project.