



Planning & Development Review Council Update

March 7, 2017

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Planning & Development Update

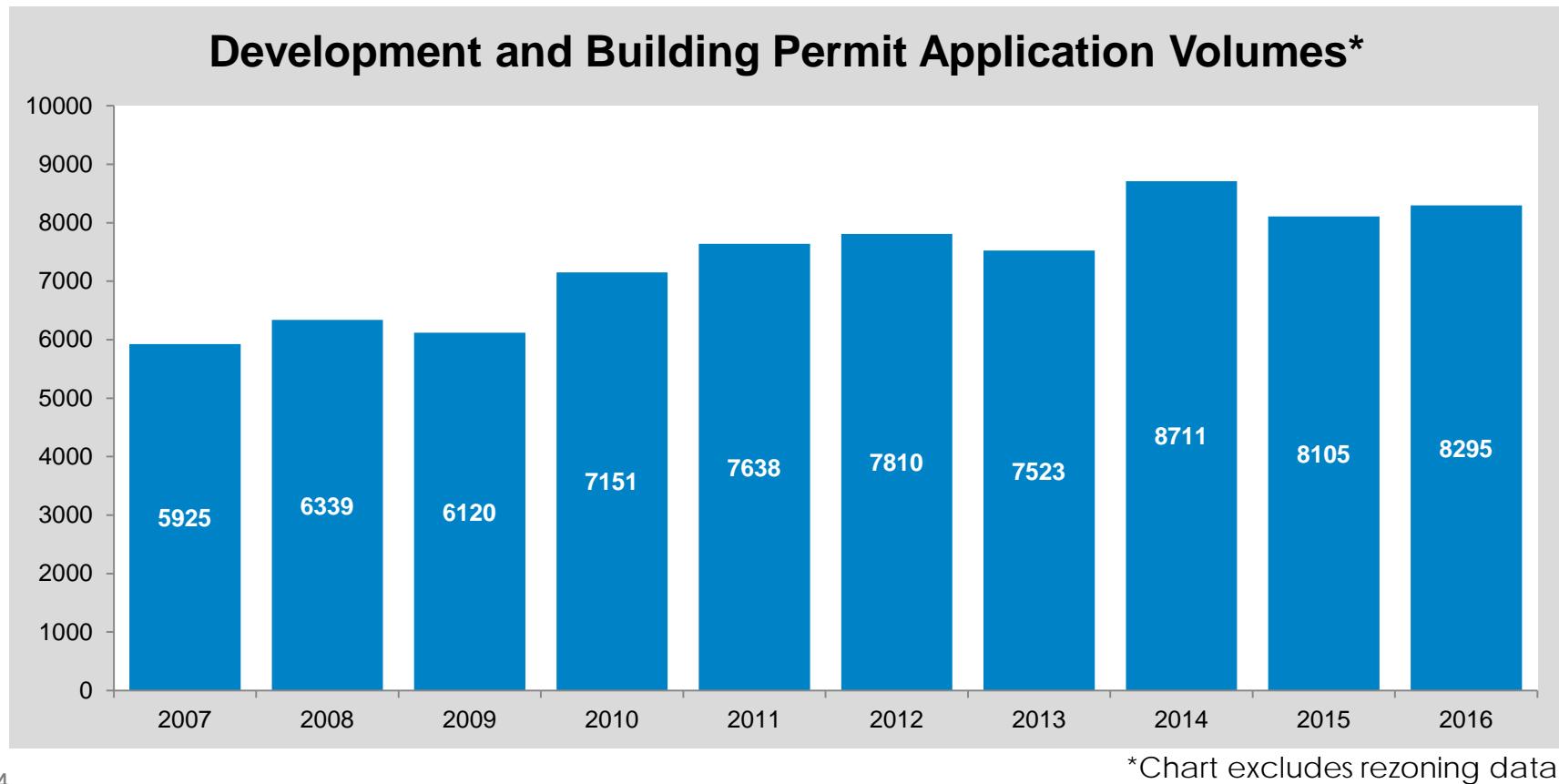
Agenda

- Current State
 - Overview
 - Assessment
- 2017 Priorities & Actions

Current State - Overview

Permit Volumes

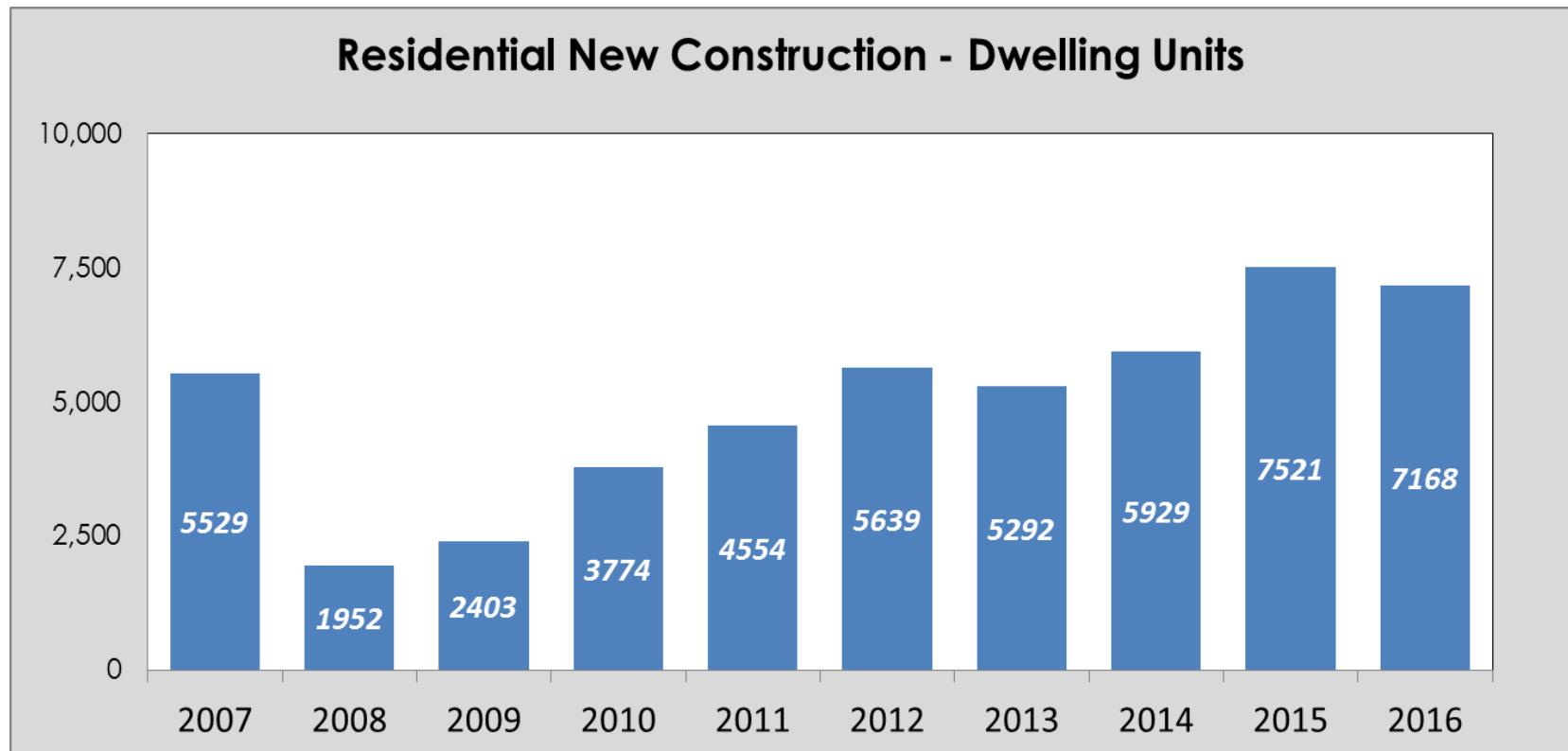
Development has surged in Vancouver over the past three years. In 2016, the city received roughly **8,300 permit** applications, the **second highest volume of permit applications** on record, next over 8,700 applications in 2014. For 2017, incoming rates are **at pace with 2016** to date volumes.



Housing Production

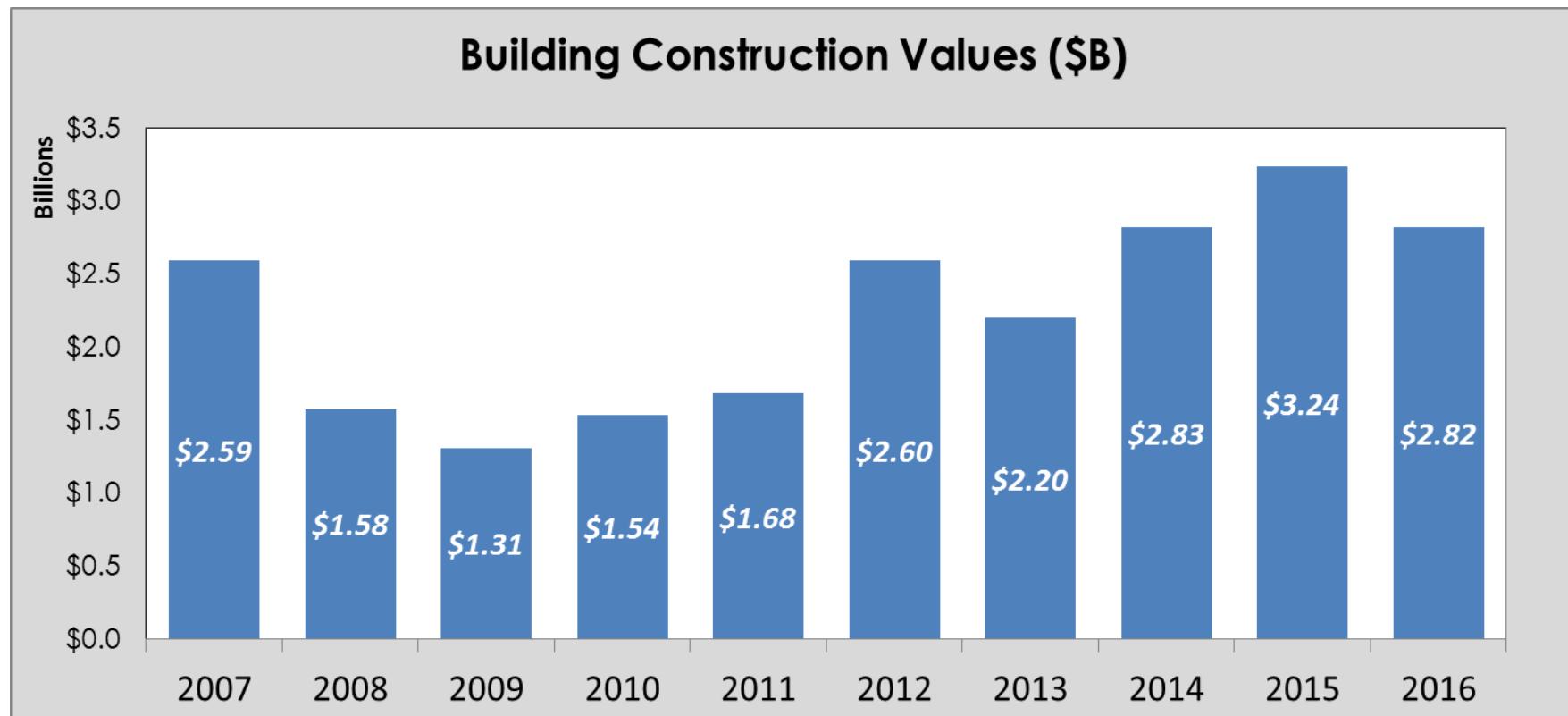
Housing development reached an **all-time high** over the past two years, peaking at over **7,500** dwelling units in 2015 and over **7,100** in 2016.

Currently, there are **1,458 residential new construction projects**, or ~**11,000 units**, with applications to construct in process and ~**32,320 more units** planned in Rezoning and Pre-application stages.



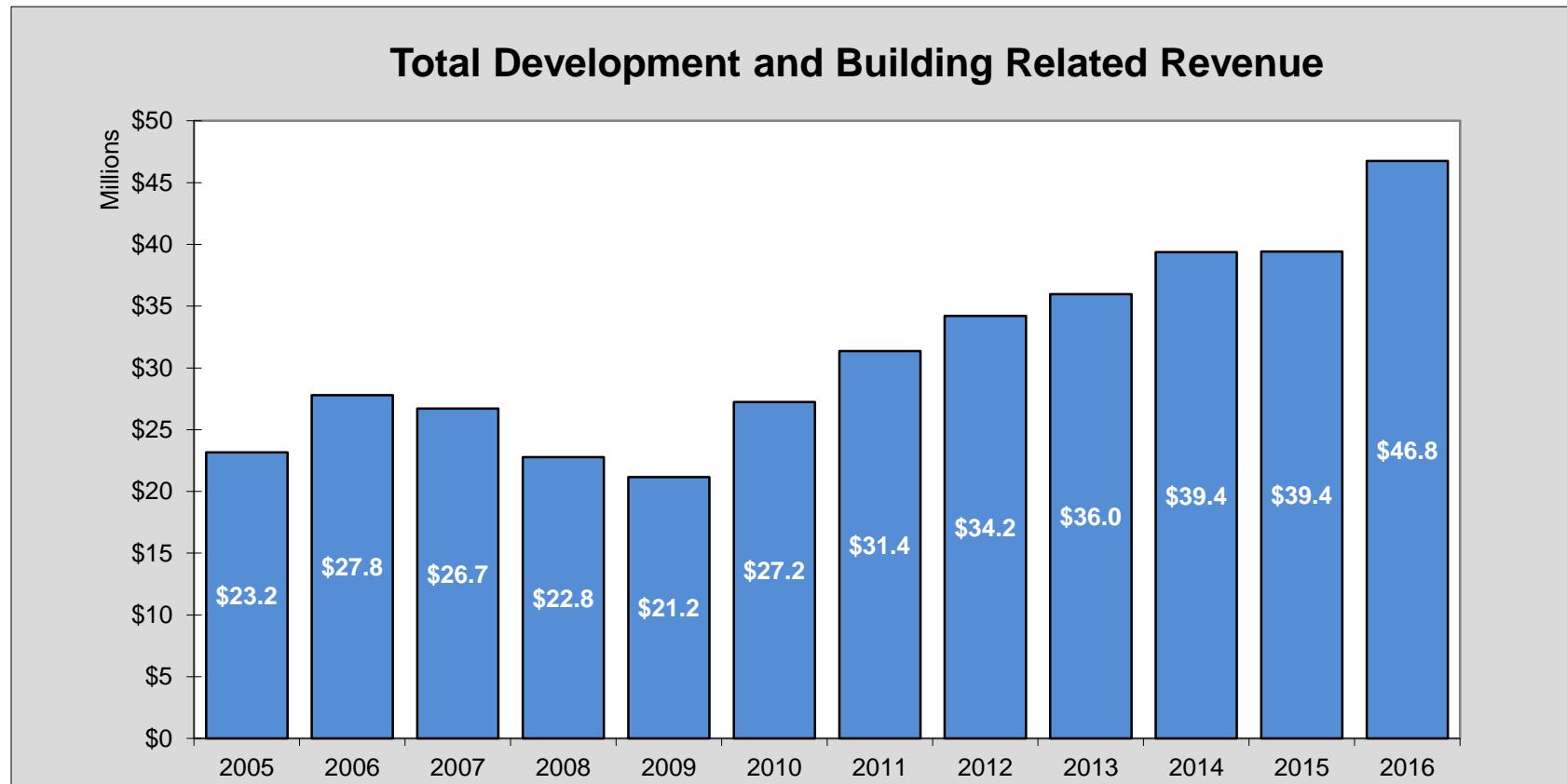
Building Construction Values

Building construction values for 2016 were in the same range of the two prior years, reaching just over **\$2.8 billion**. This represented a slight decrease from 2015, when construction values passed \$3.2 billion.



Development and Building Fees

In 2016 fees were raised beyond 2% inflation to ensure development costs were covered by fees. The 2017 budget is estimated at \$41.25M, but if applications stay at the current pace the actual revenues will exceed the budget.

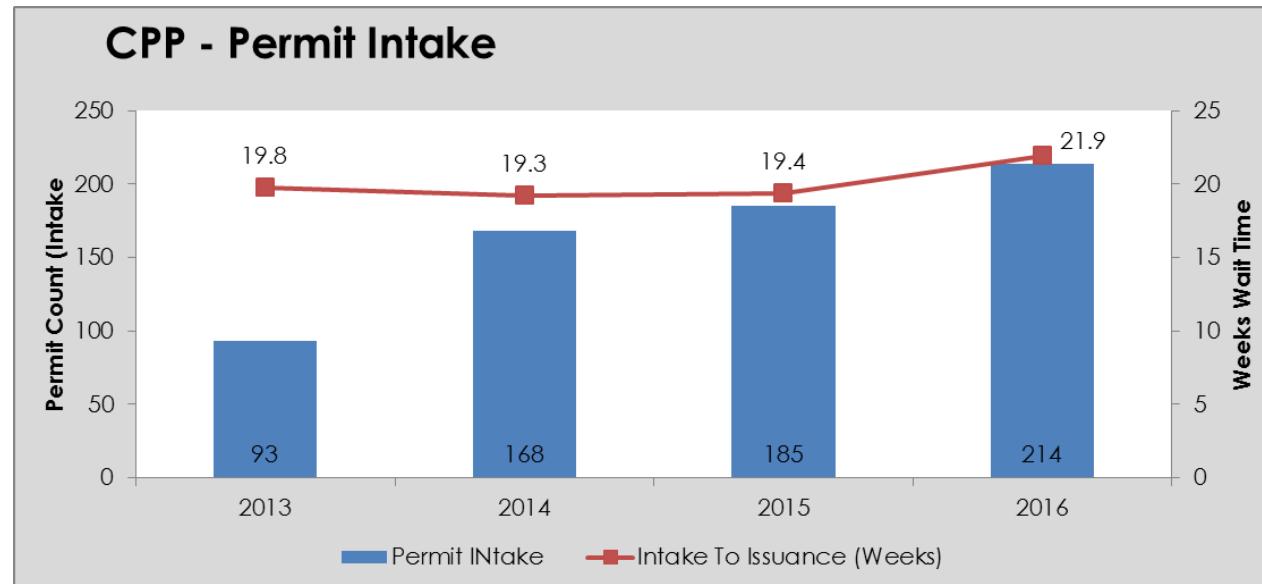


Permit Output & Times

For the past several years, the City has consistently issued an average of **~7,100 permits per year**. This represented an input/output ratio of **95% until 2014** where the average total rate dropped to **85% output**.

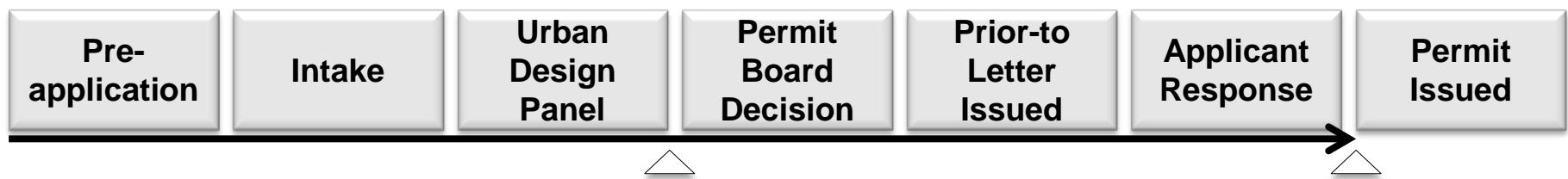
Some work streams have kept pace with increased demand and continue to have outputs exceed inputs OR they meet targeted issuance times, including :

- Certified Professional Program
- High Density Housing & Commercial
- Development Review Branch
- Field Reviews
- Tenant Improvement Program



Permit Times – Major Projects

Over the past three years, major development project development permit times have improved significantly, particularly from DP Board decision to DP issuance.



Major Projects (Median, weeks)	2013	2016	% Change
Intake to DP Board	18.2	18.5	2%
DP Board to DP Issuance	61.0	51.5	-16%
Total Permits	10	24	

Permit Times – Low Density Development

During this same period, low density development times have significantly increased. New policies have added steps and complexity to outright processes; staff and industry capacity have struggled to keep up. In 2017, the City hired staff and changed the landscape process, already showing a significant impact on the initial steps in the process.



2013 median time from Intake to Issuance: **8.6 weeks**

2016 median time from Intake to Issuance: **28.6 weeks**

- Intake to deficiency list: **18 weeks**

2017 landscape process change:

- Reduce landscape time from an **average of 16 weeks** to **2 hours (40%) or less than 2 weeks (60%)**

City Investments – Commercial Renovation Centre

The City launched the Commercial Renovation Centre in February as a 'one stop shop' for small businesses to get dedicated support.

CRC Accomplishments

- Served over **72 small businesses**
- Issued **20 development permits** (of 30 applications)
- Issued **12 building permits**
- **20 days** (average) to DP issuance

"Based on our experience, this new centre is set up to provide vital support in what would otherwise be a really daunting and complex process."



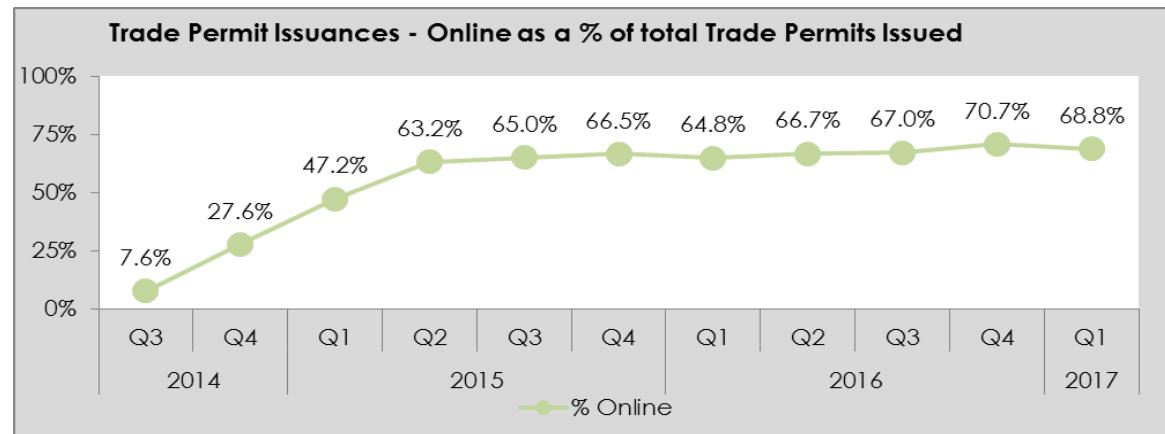
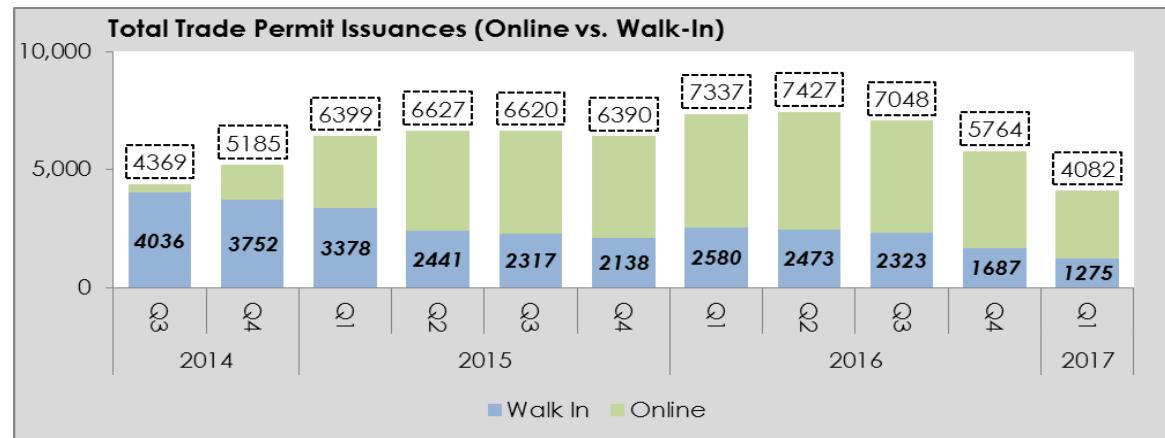
Alona Puehse, executive director of corporate development for Open Door Group - Photo Dan Toulgoet, Vancouver Courier

City Investments – POSSE

The City has made significant investments in technology to improve transparency, workflow, and overall customer experience. 2016 represented a major year for the POSSE project, including the following key accomplishments:

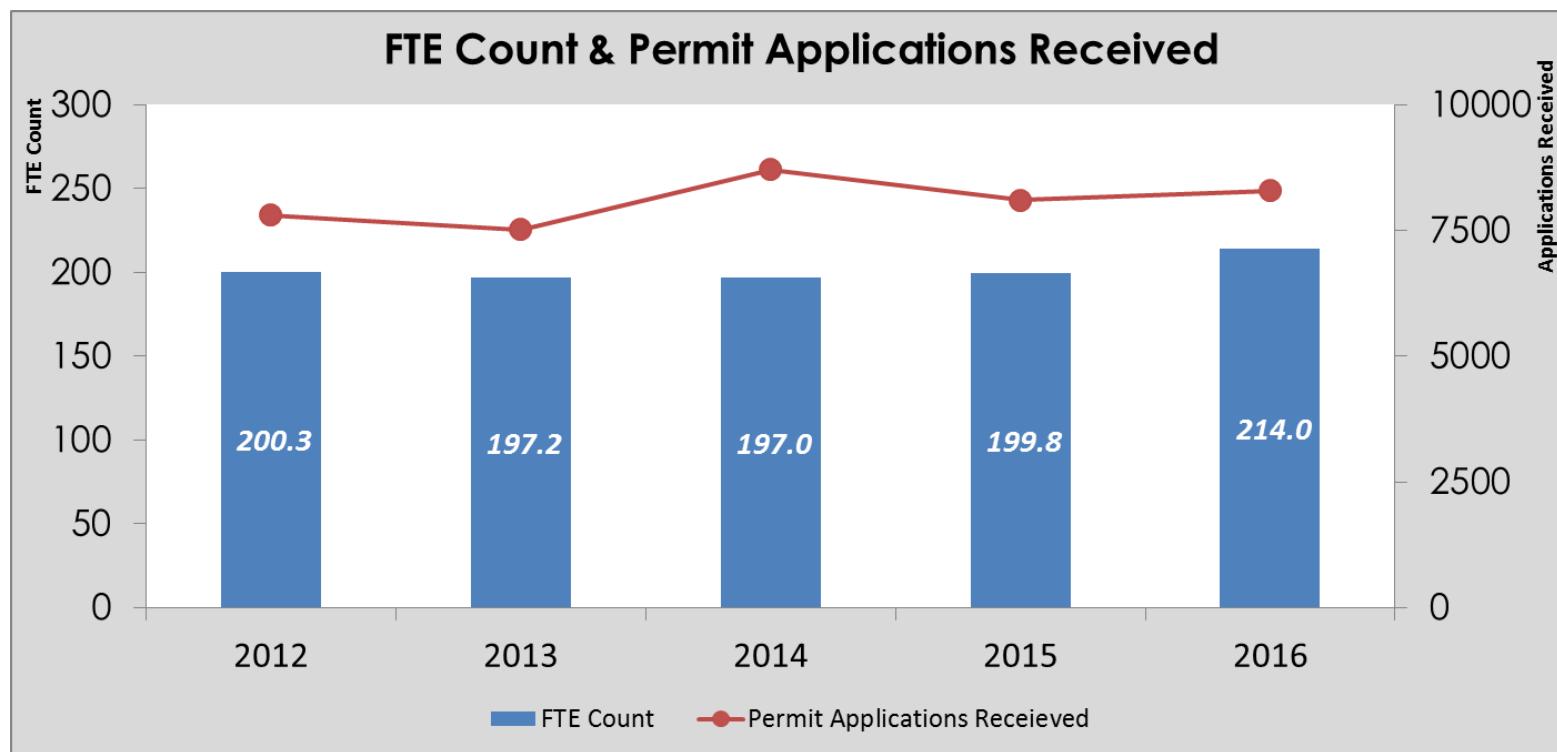
2016 Accomplishments

- **All permitting functions live on POSSE**
- PRISM and DOMINO decommissioned in October
- New online permitting function launched – over **60% permits online**
- Permit status online for ALL permit types
- Launched mobile inspections – **over 100,000** mobile cross-department inspections



City Investments - Staff

The City has strategically added staff over the past few years, to address backlog and specific areas of need. At the end of 2015, the City added 10 new positioned across different support teams, followed by another 4 landscape positions in 2016.



Current State - Assessment

Planning & Development Review

Over the past 6 months, PDS and DBL leadership have pursued a series of activities to better understand the current state of Planning and Development.

Review Activities:

- Stakeholder Engagement
- Policy inventory
- High-level process and decision-making review
- Data and metrics review
- POSSE technology assessment

Stakeholder Engagement

PDS and DBL leadership engaged a diverse volume of stakeholders to gather feedback on issues and opportunities for planning and development in Vancouver.

- Development Advisory Group
 - Developers
 - Architects
 - GVHBA
 - ULI
 - UDI
 - BC housing
 - Development consultants
- Large-scale Developers
- Construction Industry Leaders
- Commercial Real Estate Leaders
- AIBC
- Small Home Builders
- Community Leaders
- Former City Leaders and Staff

Key Messages – What We Heard

1. Policies and Regulations

2. Process & Roles

3. Customer Service

4. Data, Metrics, & Technology

5. Staff & Industry Capacity

1. Policies and Regulations

- **Conflicting.** *Conflicting policies and regulations, unclear priorities and ability to reconcile*
- **Outdated.** *Some policies and regulations need to be rationalized against current needs*
- **Volume & Rate of Change.** *Unintended consequences from large number of policy and regulation changes combined with significant increases in development demand*
- **Vision versus precision.** *Generally need more emphasis on intentions and goals, less on precision and technicalities*

2. Process and Roles

- **Governance.** Distributed decision-making, no CoV single point of contact, no issue resolution process
- **Timelines.** Unpredictable development timelines have negative impact on applicants and compound process issues
- **Process.** Redundancy in reviews, repeated steps, unclear and inconsistent steps and application of policies
- **Engagement.** There are opportunities to improve public and stakeholder engagement through the development process.
- **Advisory bodies.** Role of advisory bodies has changed over time, need to ensure clarity of role in development process
- **Professionals.** Opportunity to rely more on professionals instead of city staff

3. Customer Service

- **Services Centre.** Single line and appointment approach require review
- **Expectation Management.** Dates not set or met, little transparency on status or decisions, insufficient tools and documentation to explain requirements
- **Relationship Management.** Confusion on who to contact, unable to get information, applicants manage relationships between city teams, unclear how to escalate issues

4. Data, Metrics & Technology

- **Data.** Need greater transparency and clarity of permit processing data
- **Metrics.** Service metrics not established, limited online reporting
- **Technology.** Initial implementation of POSSE has improved workflow, but greater efficiencies and systems capabilities required

5. Staff & Industry Capacity

- **Staff Capacity.** Staff project workloads have increased in the past few years; staffing volumes have not kept pace
- **Staff Training.** Training is required for all staff, especially new front-line teams; significant changes in policies complicates ability to stay up to speed
- **Industry Capacity.** Changes have also made it difficult for industry to keep up, both with understanding bylaws and supply chain management
- **Industry Growth.** Many new developers have come to the Vancouver market with limited understanding of Vancouver development processes, making for less complete applications and increased numbers of revisions and issues

2017 Priorities & Actions

Planning & Development Drivers

Guiding Principles

- Culture of partnership & collaboration
- Risk-based, priority-driven methods
- Quality, effective service delivery
- Goal-based and data-driven decision-making

Key Goals

- Simplify rules and establish standards
- Reconcile competing objectives
- Accelerate reviews and streamline decisions
- Empower staff and professionals

Action Plan

Policy and Planning

1. Regulatory updates & review
2. Explore area plans/pre-zonings
3. Review system for development charges
4. Clarify advisory committee mandates

Process and Service Delivery

1. Process and customer service improvement
2. Pilot: prioritized process for affordable housing
3. Pilot: streamlined low-density housing
4. Enhanced technology, data and reporting

Staff and Industry Capacity

1. Staff training and capacity-building
2. Industry development and support

1a. Regulatory Updates – Near Term

Topic Area	Selected Recent Actions <i>(past 3-9 months)</i>	Near Term Actions <i>(next 3-9 months)</i>
Zoning	<ul style="list-style-type: none"> Created the I-1A and I-1B zones to grow the digital innovation economy Created new density bonus RM schedules for Joyce-Collingwood Adopted Grandview-Woodlands Plan 	<ul style="list-style-type: none"> Simplify regulations for single family and laneway dwellings Identify critical discrepancies between the Zoning and Development Bylaw and the Building Bylaw
Sustainability/ Environmental	<ul style="list-style-type: none"> Launched mid-size development energy policies Created streamline permit for hazardous materials abatement Added and clarified requirements for underground storage tank Streamlined monitoring and reporting requirements for erosion and sediment control during construction 	<ul style="list-style-type: none"> Create bylaw relaxations for all Passivhaus/FSR Consider simplifying the encroachment policy for solar shading Develop streamlined requirements for hazardous materials management during renovations Develop proposed amendments to VBBL regarding requirements for marinas to have sanitary sewer pump-out facilities
Heritage	<ul style="list-style-type: none"> Character home zoning review 	<ul style="list-style-type: none"> Update heritage transfer policies
Signage	<ul style="list-style-type: none"> Sign By-law Review (Phase 1) - simplify and update regulations for business identification signage (under way) 	<ul style="list-style-type: none"> Sign By-law Review (Phase 2) - focus on billboards and 3rd party advertising signs (launch late 2017)
Parking	<ul style="list-style-type: none"> West end parking strategy approved to improve parking availability. 	<ul style="list-style-type: none"> Review minimum parking requirements for residential downtown development

1b. Regulatory Review

Regulatory Review Project

- Three year interagency project lead by Planning
- Form stakeholder group to advise plus public outreach
- Scope includes: Zoning & Development bylaw, Building bylaw, Tree bylaw, Housing policy, Sustainability policy, Heritage, Policies and Guidelines, etc.
- Focus on:
 - Simplifying/eliminating unnecessary complexity
 - Reconciling competing objectives
 - Accelerating reviews
 - Aligning vision with policies and regulations
- Products in Phases; phase in recommendations and changes on rolling basis

2. Explore Area Plans/Re-zoning

District Zoning Reviews

- Create more district schedules to replace rezoning policies in Community Plans
- Implement needed amendments to existing District Schedules based on Community Plans

3. Review system for development charges

CAC's & DCL's

Review and update CAC policy including better linkage to capital planning and allocations (*underway*)

- Explore new area-based, fixed rate CAC targets (e.g., Cambie, Downtown and office)
- Complete update of City-wide DCL including rates and allocations

Capital & Community Planning

- Review capital planning process and program to better integrate community plans
- Improve linkage of development contributions with city-wide and community plan implementation

4. Clarify Advisory Committee Mandates

Evaluate the role of key advisory groups and those groups involved in influencing development to help clarify roles and expectations

- o Clarify purpose and role, align with revised processes
- o Update terms of references
- o Review composition of membership representation

Groups will include but are not limited to:

- o Urban Design Panel (*updates underway*)
- o Vancouver Heritage Commission
- o First Shaughnessy Advisory Design Panel
- o Chinatown Historic Area Planning Committee
- o Gastown Historic Area Planning Committee
- o Development Permit Board Advisory Panel
- o Board of Variance
- o Vancouver Economic Commission
- o Vancouver City Planning Commission
- o Active Transportation Policy Council

1. Process & Customer Service Improvement

Governance & Roles

- Clarify decision-making and priorities between CoV teams
- Establish simple issue escalation process for applicants
- Identify a SPOC for each project
- Identify opportunities to rely more on professionals

Process Improvements

- Identify and address bottlenecks and redundancies
- Simplify and reduce overall timelines for outright developments.
- “Right-size” review process based on complexity and risk - establish more risk-based reviews and inspections, support with audits

Customer Service

- Evaluate 1-stop-shop service desk, consider different upfront process, pathways for simple vs. complex, etc.
- Create and publish service level targets and tracking
- Evaluate ways to improve staff response to calls/emails
- Create/improve customer materials and tools

2. PILOT: Prioritize Affordable Housing

Goals:

- Establish framework to prioritize affordable housing development
- Streamline rezoning, development permit, and building permit process to reduce redundancies and expedite decision-making
- Dedicate staff to build expertise and clarify accountability
- Set key dates and service levels
- Test issue escalation process
- Workshop and test processes with industry leaders

Approach Update: March 28th

3. PILOT: Streamline Low-Density Housing

Goals:

- Re-engineer standard process, specifically at pain points
- Create risk-based review/audit model
- Expedite laneways
- Create SPOC for low density homes
- Define and implement CoV and applicant service levels
- Create new metrics and reporting
- Introduce deficiency tracking
- Test issue escalation process
- Update application submission/intake requirements
- Create training requirement for applicants
- Consider 'nexus lane' for high performing applicants
- Workshop and test processes with industry leaders

Progress Update: Summer 2017

4. Data, Reporting, & Technology

Goals

- Implement software enhancements to improve operational efficiencies
- Strengthen data standards, availability, reporting, and metrics
- Assess and pilot electronic plan submissions
- Expand new online permitting system to allow developer support and tools, e.g.
 - Permit status and service targets
 - Reporting by customer
 - Digital plan submission
 - Online customer support

Actions

- 2017 POSSE workplan – Draft completed February 2017
- Development workplan – April 2017

1. Staff Training & Capacity-Building

Goals

- Build an empowering culture focused on common goals and outcomes
- Increase training and mentoring opportunities
- Review headcounts and capacity across all development-related teams

Actions

- Complete training needs assessment – Complete March 2017
- Develop full-development training plan – April 2017
- Establish training management approach – April 2017
- Conduct staff capacity analysis – by October 2017 (*for 2018 budget*)

2. Industry Development & Support

Goals

- Provide development and regulatory/policy training
- Expand 'CP' like program to other disciplines
- Rely on assurance from developers, especially in outright developments
- Strengthen relationships and knowledge-sharing between staff and industry

Actions

- Gather industry feedback – through April 2017
- Establish industry engagement and support plan – May 2017
- Launch pilots and other initiatives – April/May 2017

Next Steps

- Create and share detailed **workplan**
- Launch **steering committee** and stakeholder groups
- Provide **affordable housing update** in Housing ReSet report – March 28
- **Update Council** every 6 months



Summary

- 2016 was a year of **tremendous change** in the face of record permit volumes
- The City has made **key investments** and good progress in some areas; there is **more work to be done**
- The City will focus on **strengthened partnerships, risk- and priority-based approaches**, and **improved transparency and customer service**.
- **There is no silver bullet**, but we expect to make sustained, systemic impacts over time
- We have an **action plan** and will report regularly to Council on progress

Thank You