

REPORT

Report Date: June 1, 2021 Contact: Jessie Adcock Contact No.: 604.873.7160

RTS No.: 14478
VanRIMS No.: 08-2000-20
Meeting Date: June 8, 2021
Submit comments to Council

TO: Vancouver City Council

FROM: City Manager

SUBJECT: Internal Development Application and Permitting Modernization Task Force

First Bi-Monthly Update

RECOMMENDATION

A. THAT Council adopt the resolution, attached to this report as Appendix C, not to enforce certain design guidelines that have been developed for one and two family dwellings seeking a development permit in specific neighbourhoods (RS-3 and RS-3A, RS-5, RT-3, RT-6, RT-7, RT-8, RT-9 and RT-10 Zoning Districts) to enable faster processing of residential development permit applications by reducing the number of conditions and reviews associated with them;

FURTHER THAT the resolution apply for a period of 12 months as part of a pilot project.

B. THAT Council adopt the resolution, attached to this report as Appendix D, not to enforce specific sections of the Protection of Trees By-law to enable faster processing of development permit applications and reduce further growth of backlogs;

FURTHER THAT the resolution apply for a period of 12 months as part of a pilot project.

C. THAT Council approve, in principle, an amendment to section 2.2. of the Protection of Trees By-law, to define a tree as having a diameter of 30 cm., rather than the existing 20 cm., as generally set out in Appendix E;

FURTHER THAT Council instruct the Director of Legal Services to bring forward for enactment, a by-law generally in accordance with Appendix E.

D. THAT Council approve, in principle, a 12 month delay in the implementation of amendments to the Building By-law, as set out in sections 19 through 42 of By-law No. 12692, relating to mandatory zero emission building construction guidelines for all new homes, to enable Development, Buildings and Licensing staff to remain focussed on clearing existing backlogs before reallocating staff to developing the zero emission building compliance management framework;

FURTHER THAT Council instruct the Director of Legal Services to bring forward the necessary by-law amendments for enactment by Council.

REPORT SUMMARY

This report seeks Council's approval to proceed with the first in a series of actions specifically identified for their potential to reduce permitting and licensing backlogs and the processing times of in-progress applications administered by Development, Buildings and Licensing ("DBL").

These recommendations have been prepared pursuant to direction provided by Council on March 31, 2021 to form an Internal Development Application and Permitting Modernization Task Force ("Task Force"). The Task Force was created to address current service levels and growing backlogs and has curated a significant list of opportunities which are being evaluated for assessment of impact, risk and benefit with priority given to smaller scale projects that are quick to implement and can target large blocks of the existing backlog.

This report brings back the analysis and recommendations associated with the first of several batches of opportunities that will be pursued in alignment with Council direction. The approaches being proposed will be a temporary adjustment of rules, similar in spirit to the approach taken to enable the Temporary Expedited Patio Program, to support the revitalization of the local economy and to enable a more expedient turnaround time on the issuance of permits and licenses.

In that same motion, Council directed staff to report back on a bi-monthly basis with recommendations and updates. This report and accompanying staff presentation form the basis of the first report back in the directed bi-monthly reporting cycle.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

At the Standing Committee on City Finance and Services meeting on March 31, 2021, Council approved the motion, "Calling for a Plan to Clear Vancouver's Permit and License Backlog and Revamp this Critical City Service", with direction summarized as follows:

- City Manager to strike and head an Internal Development Application and Permitting Modernization Task Force ('The Task Force').
- That the Task Force:
 - Consolidate and integrate all work related to Council motions and internal work regarding modernizing the city's development application and permitting and licensing processes;
 - Produce relevant data and, where legally feasible, make these data publicly available:

- Provide Council with recommendations as to how to best modernize development application and permitting processes, including quick start options;
- o Provide recommendations as to related user fee adjustments; and
- o Provide bi-monthly updates to Council.
- Grant staff immediate access to up to \$1 million from Council contingency funds to kick start the Internal Development Application and Permitting Modernization Task Force work.
- Staff to identify and pursue funding opportunities to support this work, such as the recently announced Provincial Government program to help local governments improve their development services and approvals processes.
- Endeavour to substantially reduce the existing backlog of permits and licenses for smaller scale projects by end of Q2 2022.
- A moratorium on any new member motions put on notice that would otherwise result in new work for the staff involved in issuing development and building permits and business licenses until the end of 2021.

The full text as approved has been included in Appendix A of this document.

On February 10, 2021, Council approved the motion, "Daylighting Building Permit Wait Times", directing "staff to post easy to-access information on the City's website that would show current projected wait times for various building permit types in as close to real-time as possible, so that businesses planning to make improvements and/or changes to their premises (where a permit is required), or people planning to open a new business that would require permits, can have greater clarity and ability to plan appropriately and achieve success."

The full text as approved has been included in Appendix B of this document.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

The City's development approvals process is supported by several City departments undertaking reviews in accordance with a regulatory framework that has been established by City Council. Staff in DBL play a central role in coordinating and administering the approvals process. Over time, the permitting and licensing process has increasingly been used as the tool by which to achieve Council objectives. This practice has been a major contributor to the current operational difficulties being faced by staff, because the number of conditions and regulations attached to permitting and licensing has increased and have become challenging to administer with the tools, systems and processes in existence. Efforts to modernize and deploy technology have also been hindered due to the large spectrum of policies to administer, making it difficult to port manual practices to an automated system. Further, prior to the current moratorium that was voted on by Council on March 31, 2021, new regulations were being layered on regularly, creating a moving target that makes transformation difficult and diverting resources away from the processing of permits and licenses to the implementation and change management efforts related to the emerging and sometimes conflicting policies. Given that

many emerging policies are time sensitive, new conditions are typically added into the existing business model. This regulatory complexity, combined with technology gaps, COVID impacts and resource consequences as a result of decreasing revenues led to an unsustainable imbalance between application demand and staff capacity to process that demand. Leading in to the COVID-19 pandemic, the regulatory system was reaching its capacity and several initiatives were underway to modernize the largely manual system underlying permit and license service delivery and application processing. This process and technology transformation program continues to be an organizational priority and is in progress, but timelines associated with technology and transformation projects are typically multi-year. The pandemic created an extreme circumstance that has created an additional impetus to consider regulatory changes to offset operational pressures in the near term, in parallel to the transformation program.

The staff presentation accompanying this report updates Council on the progress of several initiatives and will focus on some recommendations to Council that can be pursued to reduce application processing times with implementation and change management of the proposed approaches being achieved within 30-90 days of Council approval.

A Task Force, established pursuant to Council direction and led by the City Manager, has curated an extensive list of potential regulatory and process changes that specifically target application processing times.

This report contains the first of a series of recommendations that will brought to Council for Council's consideration.

In the first batch of opportunities, staff have identified 7 strategies that have been considered for risk and impact. Based on discussions with staff most familiar with the processing impacts of these 7 strategies, it is estimated that successful implementation of all 7 strategies could have a proposed impact that could total 10,170 processing weeks saved, which is derived from an average savings of 2 weeks on approximately 5000 applications. Four of these are operational decisions that can be made at the discretion of the General Managers of the involved departments, and three require temporary adjustments and approval by Council.

Criteria that was factored in the selection of opportunities was:

- Largest impact to backlogs
- Fastest time to analyze for risk and impact, and implement
- Source of regular applicant feedback
- Focus on low risk to community
- Priority for smaller scale projects

The strategies proposed in Batch 1 are:

OPPORTUNITY	Operational Process Change (For information)	Requires Council Decision (For decision)	Impact
Enable temporary staff overtime to clear application backlog	√		Additional Staff Hours dedicated to Backlog
Pilot new data collection model for ASHRAE compliance	✓		3000 applications per year
			2 weeks saved per application
Limit penalties for some instances of previously unpermitted work for residential and commercial renovations	√		500 applications per year
Terrovations			2 weeks saved per application
Shift onus of landscape maintenance during construction process to applicants for demolitions, renovations and field review	√		480 applications per year
Tonovationio and nota roview			3 weeks saved per application
Enable faster processing of residential applications subject to design guidelines that have been developed for specific neighbourhoods by reducing		✓	100 applications per year
the number of conditions and reviews associated with residential permit applications (Recommendation A)			12 weeks saved per application
Allow for a temporary suspension of parts of the Protection of Trees By-law to enable low risk applications to be processed faster as well as		✓	265 applications per year
reduce further growth of backlogs (Recommendation B)			2 weeks saved per application
Approve a 12 month delay to the implementation of amendments to the Building By-law relating to mandatory zero emission building construction guidelines for all new homes, to enable DBL staff to remain focused on clearing existing backlogs before reallocating staff to developing the zero emission building compliance management framework (Recommendation C)		✓	Additional Staff Hours dedicated to Backlog

In addition to the recommendations being proposed for Council consideration, staff would also like to communicate the following update on the other elements of the aforementioned February and March Motions:

Council Motion Direction	High Level Status
City Manager to strike and head an Internal Development Application and Permitting Modernization Task Force (the "Task Force").	Complete
Consolidate and integrate all work related to Council motions and internal work regarding modernizing the city's development application and permitting and licensing processes;	In Progress, update in accompanying staff presentation
March motion: Produce relevant data and, where legally feasible, make these data publicly available; February motion: Post easy to-access information on the City's website that would show current projected wait times for various building permit types in as close to real-time as possible, so that businesses planning to make improvements and/or changes to their premises (where a permit is required), or people planning to open a new business that would require permits, can have greater clarity and ability to plan appropriately and achieve success.	In Progress, a strategic activity related to analytics redesign has been added to transformation roadmap as part of action to deliver the February Council Motion to "daylight" wait times, as well, tactically, a dedicated section of the DBL website to inform the public about wait times and Task Force progress is under development
Provide Council with recommendations as to how to best modernize development application and permitting processes, including quick start options; Provide recommendations as to related user fee	In Progress, reporting on first batch in this report
adjustments; and	To be incorporated into the budget planning cycle as part of the annual fee review
Provide bi-monthly updates to Council.	Initiated with this report and the accompanying staff presentation
Grant staff immediate access to up to \$1 million from Council contingency funds to kick start the Internal Development Application and Permitting Modernization Task Force work.	In Progress, initial allocations made available for overtime but more time is needed to allocate to strategic investments
Staff to identify and pursue funding opportunities to support this work, such as the recently announced Provincial Government program to help local governments improve their development services and approvals processes.	Complete, Application submitted for Provincial Development Approvals Process Review (DAPR), update in accompanying staff presentation
Endeavour to substantially reduce the existing backlog of permits and licenses for smaller scale projects by end of Q2 2022.	In Progress, recommendations in this proposal have been prioritized in accordance with this direction.
A moratorium on any new member motions put on notice that would otherwise result in new work for the staff involved in issuing development and building permits and business licenses until the end of 2021.	In Progress.

Strategic Analysis

1. <u>Enable faster processing of residential applications subject to design guidelines that have been developed for one and two family dwellings in specific neighbourhoods by reducing the amount of conditions and reviews associated with residential permit applications</u>

Currently there are two processing streams for residential development permits: outright and conditional. Generally speaking, the outright stream processes applications much faster due to the absence of specific conditions that must be met to adhere to guidelines present in some neighborhoods in Vancouver. The conditional stream reviews are very specific and consume considerable staff capacity. The outright stream generally results in a positive permit outcome in 2 months, while the conditional stream takes upwards of 4 months or more. The conditional stream requires staff to provide a higher level of design and review service for certain neighbourhoods and adds additional cost and complexity to permit processing activities.

Working with staff with subject matter expertise, the Task Force, has identified 2 ways by which to improve processing time for residential permit applications.

Strategy 1: Streamline Planning review of guidelines for neighborhood character/ streetscape. Staff are asking Council to enable a temporary relaxation to deprioritize detailed review of the architectural design: composition, doors and windows, materials and detailing, and to focus on major items such as roofs and overall form. This would be applicable to one and two family dwellings in the RS-3 and RS-3A, RS-5, RT-3, RT-6, RT-7, RT-8, RT-9 and RT-10 Zoning Districts that go through a conditional development permit process. It would not apply to permits for laneway houses, character home retention, infill, or multiple conversion dwellings. Applications for conditional new one and two family dwellings would continue to be reviewed for technical compliance with regulations governing height, floor area, and setbacks. Though this could result in some modest design deviation in the design character of homes from certain neighbourhoods, this relaxation has the potential to eliminate 8 to 12 weeks of review time for approximately 100 permits per year; it also reduces the need to do departmental handoffs for reviews conducted by different teams, and mitigates against a known bottleneck in the current system.

Strategy 2: Streamline Landscape review of guidelines for neighborhood character/ streetscape. Similar to the previous recommendation, staff are asking for a temporary relaxation to only conduct Landscape reviews for life safety concerns and deprioritize the character landscape reviews associated with design guidelines in certain neighbourhoods for the duration of the relaxation period. This creates the potential for some deviation in the landscape design in certain neighbourhoods, including potential loss of privacy screening. However, it has the potential to eliminate 8 to 12 weeks of processing time for approximately 180 permits per year, reducing the need to do departmental handoffs and mitigates against a known bottleneck in the current system.

To mitigate against the volume of homes not adhering to aesthetic design principles in the neighbourhoods with known design guidelines, the relaxations are proposed as temporary measures in the form of a 12-month pilot project.

Recommendation A seeks adoption of a resolution not to enforce design guidelines that have been developed for specific neighbourhoods to allow staff to enable faster processing of residential applications by reducing the number of conditions and review requirements applied to residential permit applications. Proposed resolution of Council included in Appendix C of this document.

2. Allow for a temporary suspension of sections of the Protection of Trees By-law to enable low risk applications to be processed faster in order to reduce further growth of backlogs

The Protection of Trees By-law currently specifies landscape requirements on private land. The current requirement is to protect all trees over 20 cm in diameter, except in very limited circumstances. The current approach has been effective at retaining trees, but has had significant impact on permit processing times resulting in a landscape review bottleneck. The proposed path to addressing the current backlog of landscape reviews strikes a balance between tree retention and reducing permit processing times by enabling reasonable relaxations.

Strategy 1: Limit when we require Arborist report. Staff are recommending that we relax current requirements to require an arborist report only in situations of life-safety, or trees over a certain size. The negative impact of this recommendation is negligible, however, this strategy has the potential to reduce processing time by one week or more for <u>all</u> permits that require a landscape review.

Strategy 2: Allow greater flexibility with trees that conflict with accessory buildings. Staff are recommending greater flexibility when trees conflict with accessory buildings. This change would impact approximately 40 trees in the period of a year, many of which would likely require removal anyway, resulting in a potential savings of 2-8 weeks of processing time, for approximately 40 permits in the same one year period.

Strategy 3: Increase the threshold size for tree protection. Staff are recommending an amendment to the Protection of Trees By-law redefining a small tree as a tree with a diameter of less than 30 cm (increasing the non-enforcement threshold and when a permit is required from 20cm to 30 cm diameter). This amendment would impact approximately 200 trees in a one year period and replacement trees would not be required for these removals. As a result, staff anticipate potential savings of 2 - 8 weeks in processing time for approximately 170 permits in the same one year period.

Beyond the specified potential savings, these proposed relaxations could eliminate a significant source of multi-month permit processing churn that is a regular source of complaint from residents and applicants. To mitigate against any long term impacts to the intent of the Protection of Trees By-law, the relaxations are proposed as temporary measures in the form of a 12-month pilot.

Recommendation B seeks adoption of a resolution not to enforce specific sections of the Protection of Trees By-law to enable applications to be processed faster as well as reduce further growth of backlogs; Resolution of Council for approval by Council included in Appendix D of this document.

Recommendation C seeks an amendment to the Protection of Trees By-law redefining a small tree as a tree with a diameter less than 30 cm, from the current 20 cm. A draft amending by-law is attached as Appendix E.

3. Approve a 12 month delay to the implementation of amendments to the Building
By-law relating to mandatory zero emission building construction guidelines for all
new homes, to enable DBL staff to remain focused on clearing existing backlogs
before reallocating staff to developing the zero emission building compliance
management framework

Based on a previous approval by Council, all new houses (3 stories and below, town houses, laneway, single family, duplex) will require space heating and domestic hot water to be electrified with better insulation and windows. The Policy was approved by Council in April, 2020 for building permit applications received starting January 1, 2022

DBL staff are requesting a temporary reprieve due to limited capacity to engage in implementation discussions that would further reduce our processing capacity for permits already in the backlog.

Due to the operational challenges, staff in DBL have very limited capacity and are under significant pressure to reduce current backlogs. This proposed delay in implementation the new construction guidelines would enable DBL staff to defer the operational design and development of a new compliance framework and prevent reallocation of staff from permitting and inspections to design and implement a new requirement for new residential home construction.

THAT Council approve, in principle, a 12 month delay to the implementation of amendments to the Building By-law as set out in sections 19 through 42 of By-law No. 12692, relating to mandatory zero emission building construction guidelines for all new homes, to enable DBL staff to remain focussed on clearing existing backlogs before reallocating staff to developing the zero emission building compliance management framework.

Implications/Related Issues/Risk

The current trajectory for backlogs in permits and licensing is trending towards increasing volumes and processing times. The recommendations contained within this report have a limited risk profile and are connected with non life-safety objectives. The approach being proposed is a time limited relaxation of rules, similar to the approach taken for the Temporary Expedited Patio Program, to support the revitalization of the local economy and to enable a more expedient turnaround time on the issuance of permits and licenses.

Financial

The risks of not undertaking the proposed changes are sustained revenue loss due to the inability to process permits resulting reduced fee revenue. Further, at the current processing times, there is a risk of proliferating an economy associated with commercial willingness to perform work without permit. The latter would have more significant impacts to the City's mandate to regulate community standards over the longer term.

Human Resources/Labour Relations

The recommendations outlined and proposed in this report are designed to reduce the existing pressures on staff experiencing significant morale and burnout challenges. There is no increase of salary proposed but the measures as laid out could bring considerable relief to staff across the departments that support the development permit and building permit approval process.

Environmental

It is recognized that the proposed measures would slow down some of the goals laid out to advance sustainability objectives in the near term, specifically as a consequence of the proposed simplification of landscape reviews and a deferral of the implementation of zero emission building guidelines for new home construction. However the measures proposed are presented as temporary and targeted to help eliminate backlog. Once operating pressures, processing times and backlogs have reduced to levels acceptable by Council, the intent is to reconsider these policies.

Legal

The City does not have a general duty to strictly enforce all its by-laws and policies. The Courts have acknowledged this and have considered resolutions to not enforce by-laws and policies to be supportable, particularly as part of a pilot project aimed at by-law and process reviews.

CONCLUSION

The City of Vancouver's processes for granting development and building approvals are experiencing unprecedented pressure resulting in a trend towards increasing backlogs, decreasing service levels, and significant workforce challenges. This has been accompanied by an increase in media attention and complaints from residents and businesses in Vancouver. A confluence of factors, many catalysed by the COVID-19 pandemic have contributed to this pressure:

- Services Centre Closure
- Volatile Demand
- Budget Pressures
- Workload and Competing Priorities
- Knock on Impacts from Furloughs and Vacancies
- Capacity for Change Management
- Regulatory Complexity
- Technology and Business Model Gaps
- Increasingly complex development applications and sites

Trends are indicating a worsening trajectory which carries serious implications such as impact to staff, impediments to post pandemic economic recovery, a loss in revenue and reduction in the effectiveness of our regulatory capabilities.

The Task Force directed by Council to form and undertake analysis is seeking out and assessing opportunities that will help identify opportunities whereby large portions of the backlog can be reduced through simplification of the regulatory context. By supporting the first

batch of recommendations as laid out in this report, staff will be able to process permits at a faster rate and counteract the current trend towards increasing backlogs and decreasing service levels. Proposed measures are recommended by staff as a 12-month pilot and staff will report back at the conclusion of this pilot period with an update on benefits and gains achieved via the interventions approved by Council to address the operational backlogs.

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Appendix A: Calling for a Plan to Clear Vancouver's Permit and License Backlog and Revamp this Critical City Service (Member's Motion B.4)

MOTION AS APPROVED

WHEREAS

- 1. Construction projects and any change of land use or occupancy on private property require a building permit. All projects must comply with the Vancouver Building By-law to meet life safety, livability, accessibility, and sustainability requirements. In the case of large-scale projects, and/or where zoning relaxations or particular types of land uses are proposed, a separate development permit is required before a building permit application can be submitted;
- 2. The layering of policy and regulations is a significant contributor to permit processing delays. Over the course of many years, the City has endeavoured to introduce various measures to decrease the length and complexity of Vancouver's permitting process such as online services, more efficient procedures, a regulatory review, the ASAP pilot and programs such as the Certified Professional (CP) Program;
- 3. Currently there is a significant backlog of building and development permit applications. Based on data up to 2018, building and development permit application volumes have gone up by 30 percent since 2007, and trades permit volumes have gone up nearly 40 percent over the same span; Standing Committee of Council on City Finance and Services Minutes, Wednesday, March 31, 2021 23
- 4. The 2018 and 2019 Civic Service Satisfaction Surveys found that building and development services ranked near the bottom by both residents and businesses. In 2018, more than 50% of businesses expressed dissatisfaction with development and building permit services. And 78 percent of residents felt the City should invest more in development and building permit service; 85 percent of businesses said this was critical;
- 5. Vancouver is not unique in facing a permit application backlog. The cities of Toronto and Markham in Ontario underwent extensive development process reviews by KPMG in 2019. These reviews led to a series of recommendations designed to help ensure that the development review process in these two cities remains efficient, effective, and impactful as the volume, pace, and complexity of development evolves;
- 6. In Metro Vancouver, permit application backlogs have also been experienced over the past decade by municipalities large and small such as Surrey, Coquitlam, White Rock, and Abbotsford. For example, a cyclical review in Coquitlam made 21 recommendations that included organizational changes and more customer service and proactive problem solving, in order to handle the unprecedented high levels of permit and inspection activity in the city;
- 7. In response to public concerns, in 2019, City staff began laying out a plan to simplify and reduce development processes, including speeding up permits, leveraging technology to deliver services online and improving the overall customer experience;
- 8. The current backlog situation represents a watershed moment for our city and requires urgent attention. The Covid-19 pandemic has created a perfect storm due to the volume and

complexity of projects requiring permits, while at the same time resulting in a dramatic shift in City staff working from home but without the necessary, supporting technology infrastructure. Available staff resources are currently fully allocated to processing permit applications from previous years. Yet new applications continue to flood in and the situation has been further exacerbated by an increased emphasis on new rental housing projects, combined with a similar increase in demand and interest from homeowners looking to improve make home improvements to better cope with pandemic challenges;

- 9. In response to queries from Council and others, staff point to the need to establish and implement new and better systems to clear the permitting backlog. By focusing on the backlog of smaller-scale projects and clearing those expeditiously, it would free up resources to concentrate on more complex largerscale housing projects that are also backlogged including urgently needed nonprofit, social and market rental housing;
- 10. Moving forward, separating permit processes into two streams one that is specific to smaller-scale development such as improvements to single family homes, duplexes and smaller rental projects, condo improvements, laneway houses and small-scale commercial projects, and a second stream for largerscale development could support ongoing, quicker turnaround of permit approvals; Standing Committee of Council on City Finance and Services Minutes, Wednesday, March 31, 2021 24
- 11. The City's permit application backlog is having serious financial and other negative effects for applicants and City staff alike. For example, a recent study by LOCO BC in partnership with the Downtown Vancouver Business Improvement Association, the Building Owners and Managers Association of BC, and the Vancouver BIA Partnership among others, found that the average wait time for permits and licensing in Vancouver is 8.2 months. The average corresponding economic loss per business permit or licence is estimated to be in excess of \$720,000. Delayed permits have contributed to an environment of instability and uncertainty for businesses in addition to escalating costs;
- 12. On March 5, 2021, the Provincial Government began accepting applications for a \$15-million program to help local governments improve their development approvals processes, such as upgrades to a digital or online development application process or conducting internal reviews of current development approvals processes to identify opportunities for improvement; and
- 13. Addressing the City's permit backlog and investing in the technological and other transformative changes will pay dividends not only in the short-term, but also the long term to help meet the City's housing goals and better serve residents and businesses alike. It will also significantly strengthen post-pandemic economic recovery.

THEREFORE BE IT RESOLVED

A. THAT Council direct the City Manager to strike an Internal Development Application and Permitting Modernization Task Force to be headed by the City Manager.

B. THAT Council mandate the Internal Development Application and Permitting Modernization Task Force to:

- i) consolidate and integrate all work related to Council motions and internal work regarding modernizing the city's development application and permitting and licensing processes;
- ii) produce relevant data and, where legally feasible, make these data publicly available;
- iii) provide Council with recommendations as to how to best modernize development application and permitting processes, including quick start options;
- iv) provide recommendations as to related user fee adjustments; and v) provide bimonthly updates to Council. Standing Committee of Council on City Finance and Services Minutes, Wednesday, March 31, 2021 25
- C. THAT Council grant staff immediate access to up to \$1 million from Council contingency funds to kick start the Internal Development Application and Permitting Modernization Task Force work.
- D. THAT staff identify and pursue funding opportunities to support this work, such as the recently announced Provincial Government program to help local governments improve their development services and approvals processes.
- E. THAT Council direct the Internal Development Application and Permitting Modernization Task Force to endeavour to substantially reduce the existing backlog of permits and licenses for smaller scale projects by end of Q2 2022.
- F. THAT Council affirm its unequivocal support to prioritize the work currently underway in Development, Permitting and Licensing by initiating a moratorium on any new member motions put on notice that would otherwise result in new work for the staff involved in issuing development and building permits and business licenses until the end of 2021.

Appendix B: Daylighting Building Permit Wait Times (Member's Motion B.4)

MOTION AS APPROVED

WHEREAS

- 1. The City of Vancouver continually works to make Vancouver's homes and buildings safer, healthier, greener, and more accessible, including reviewing permit applications and enforcing regulations in a fair and consistent manner, and working to decrease the length and complexity of the permit process by introducing among other measures online services and more efficient procedures and processes;
- 2. Construction projects and any change of land use or occupancy on private property require a building permit. All projects must comply with the Vancouver Building By-law to meet life safety, livability, accessibility, and sustainability requirements. Building permits are the tool the City uses to achieve these requirements;
- 3. The City has a Small Business Commercial Renovation Centre (CRC) for small business owners planning a renovation or looking to move or start a business in Standing Committee of Council on Policy and Strategic Priorities Minutes, February 10 and 18, 2021 20 Vancouver. The CRC offers assistance to help customers make an informed decision about the suitability of a business property or the viability of a proposed renovation;
- 4. Despite various strategies and measures implemented by the City of Vancouver over time to improve permit wait times such as the Commercial Renovation Centre launched in February 2017 (as a 'one stop shop' for small businesses to get dedicated support), investments in technology to improve transparency, workflow, and overall customer experience, increased staff to address backlogs and specific areas of need, as well as conducting stakeholder engagements, policy inventories, high-level process and decision-making reviews, and data and metrics reviews, the duration and clarity surrounding permit wait times continue to be an impediment to those wishing to invest in existing and/or open new businesses in Vancouver;
- 5. At a public hearing on June 25, 2020, Council approved amendments to clean-up, clarify, and consolidate our land use regulations and related land use documents to make them more user-friendly. These amendments represent incremental changes toward a set of simplified zoning regulations and are intended to help simplify and streamline permit reviews in combination with permit processing improvements;
- 6. Likewise, on July 24, 2020, Council enacted the amendments to the zoning regulations noted above, and on September 15, 2020, Council gave final approval to the various consequential amendments related to the City's land use documents. The updated and simplified land use regulations and policies are intended to result in review processes that are more streamlined;
- 7. With reference to the City's "Regulation Redesign" initiative a comprehensive ongoing review of the City's land use regulations and related policy documents staff are scheduled to report back to Council in the Winter of 2021 with regulatory updates related to the drafting and refining of new zoning by-laws, the development of an implementation plan for introducing new by-laws, and the communication protocols and procedures for developing regulations and

policies, along with related public engagement opportunities. The timeline for implementation of the above-noted report items is scheduled for 2022;

- 8. Despite the foregoing, and despite the various strategies and measures implemented by the City to improve permit wait times, a lack of clear information and general uncertainty regarding permit wait times continues to be an issue, especially in terms of transparently communicating wait times to the general public and small businesses wishing to expand or open. For example, the CRC webpage on the City's website shows "permit processing times as of January 1, 2021" but only for one permit category namely, for "Minor commercial renovation" work;
- 9. Likewise, the CRC webpage notes a target to issue 95% of "minor commercial renovation" permits within seven weeks, yet only 44% of these applications have been accomplished within the seven-week target in the last three months; further there is no clear information given regarding the average wait time;
- 10. The impact of delays and/or permit processing times that are longer than expected causes a range of financial hardships for small businesses, not the Standing Committee of Council on Policy and Strategic Priorities Minutes, February 10 and 18, 2021 21 least of which are having to carry extra months of lease costs without any revenue, delaying the projected timeline for opening to the paying public, and generally impacting the financial well-being and sustainability of a business (especially considering the added layers of uncertainty due to COVID-19); and
- 11. Making clear, transparent information available to small businesses would help them to plan more effectively, for example in negotiating leases by knowing the length of time they will have to plan for carrying costs along with other matters relevant to opening or expanding a small business (while recognizing that wait times could be subject to change for a number of reasons such as the completeness of a permit application, questions that arise, and the volume of instream applications to be processed).

THEREFORE BE IT RESOLVED THAT Vancouver City Council direct staff to post easy to-access information on the City's website that would show current projected wait times for various building permit types in as close to real-time as possible, so that businesses planning to make improvements and/or changes to their premises (where a permit is required), or people planning to open a new business that would require permits, can have greater clarity and ability to plan appropriately and achieve success.

Appendix C: Resolution of Council

RESOLUTION OF COUNCIL

WHEREAS the City of Vancouver is experiencing a large and growing backlog of development permit applications;

WHEREAS the City of Vancouver is exploring ways to reduce the time needed to issue development permits;

WHEREAS the good governance of the City is enhanced by a reasonable and efficient development permit issuance process;

WHEREAS the ordinary review and approval processes will lead to further unacceptable delays.

THEREFORE Council resolves that:

During a 12-month pilot project aimed at reducing the time needed to issue development permits, Council instructs the Director of Planning to only consider the following specified guidelines and policies when considering the approval of one –family and one-family dwellings with secondary suite and two-family and two family-dwellings with secondary suites in the RS-3 and RS-3A, RS-5, RT-3, RT-6, RT-7, RT-8, RT-9 and RT-10 Zoning Districts:

For the RS-3, RS-3A and RS-5 Zoning Districts, Council's policy is that the Guidelines for RS-5 are not to be strictly applied, and the staff review should be limited to:

- 2.1 Streetscape Character (Review for general compatibility)
- 2.2 Form (Review only for (i) Primary Forms and (ii) Primary Roof)
- 2.4 Doors and Windows (No review checklist of acceptable types)
- 2.5 Materials and Detailing (No review checklist of acceptable materials)
- 2.6 Landscape Design (No review except for Protection of Trees By-Law); and

For the RT-3 Zoning District, Council's policy is that the Strathcona/Kiwassa RT-3 Guidelines are not to be strictly applied, and the staff review should be limited to:

- 2 General Design Considerations
- 2.1/2.2 Neighbourhood Character/Street Character (Review for general compatibility)
- 3.6 One and Two Family Dwellings (Review for site criteria for greater than 0.60 FSR)
- 5 Architectural Components
- 5.1 Roofs (Review)
- 5.2 Windows (No review checklist of acceptable types)
- 5.5 Exterior Walls and Finishing (No review checklist of acceptable materials)
- 8 Landscaping (No review except for Protection of Trees By-Law); and

For the RT-6 Zoning District, Council's policy is that the RT-4, RT-4A, RT-4A, RT-4AN, RT-5, RT-5N and RT-6 Design Guidelines are not to be strictly enforced and staff review should be limited to:

- 5 RT-6 (West Mount Pleasant)
- 5.1/5.2 Neighbourhood Character/Street Character (Review for general compatibility)
- 5.3 Architectural Components 5.3.1 Roofs (Review)
- 5.3.2 Windows (No review checklist of acceptable types)

- 5.3.4 Exterior Walls and Finishing (No review checklist of acceptable materials)
- 12 Landscape (No review except for Protection of Trees By-Law); and

For the RT-7 and RT-8 Zoning Districts, Council's policy is that the Kitsilano RT-7 and RT-8 Guidelines are not to be strictly enforced and staff review should be limited to:

- 1.2 Traditional Design Principles (Review Section listed below)
- 1.2.2 Simple Mass with a Simple Roof (Review)
- 2 General Design Considerations
- 2.1/2.2 Neighbourhood/Streetscape Character (Review for general compatibility)
- 2.1.1 Massing (Review)
- 4 Guidelines Pertaining to Regulations of the Zoning and Development By-Law
- 4.3 Height (Review)
- 4.4 Front Yard (Review)
- 4.7 FSR (Review)
- 4.16 Building Depth (Review)
- 5 Architectural Components
- 5.2 New Development to "Compatible Appearance" (Review for general compatibility)
- 5.2.1 Roofs (Review)
- 5.2.2 Windows (No review provide a checklist of acceptable window types)
- 5.2.5 Exterior Walls and Finishing (No review checklist of acceptable materials)
- 8 Landscaping (No review except for Protection of Trees By-law); and

For the RT-9 Zoning District, Council's policy is that the Kitsilano RT-9 Guidelines are not to be strictly enforced and staff review should be limited to:

- 2 General Design Considerations
- 2.1/2.2 Neighbourhood and Streetscape Character (Review for general compatibility)
- 4 Guidelines Pertaining to Regulations of the Zoning and Development By-law
- 4.4 Front Yard (Review)
- 4.16 Building Depth (Review)
- 5 Architectural Components
- 5.1 Roofs (Review)
- 5.2 Windows (No review provide checklist of acceptable types)
- 5.5 Exterior Walls and Finishing (No review checklist of acceptable materials)
- 8 Landscaping (No review except for Protection of Trees By-law); and

For the RT-10 and RT-10N Zoning Districts, Council's policy is that the RT-10 and RT-10N Small House/ Duplex Guideline are not to be strictly enforced and staff review should be limited to:

- 2 General Design Considerations
- 2.1/2.2 Neighbourhood and Streetscape Character (Review for general compatibility)
- 4.0 Guidelines Pertaining to Regulations of the Zoning and Development By-law (
- 4.7 Floor Space Ratio (Review)
- 5 Architectural Components
- 5.1 New Development, Infill, and Addition to 'Non-Character' Buildings (Review for general compatibility)
- 5.1.1 General Design Considerations (a) a simple mass with a simple sheltering roof (Review)
- 5.1.2 Roofs (Review)
- 5.1.4 Windows (No review provide checklist of acceptable types)
- 5.1.6 Exterior Walls and Finishing (No review provide checklist of acceptable materials)
- 8 Landscaping (No review except for Protection of Trees By-law); and

FURTHER THAT:

City staff are directed to report back to Council with an assessment of this pilot project in 12 months, and consider and recommend possible by-law amendments and policy changes to facilitate a further reduction in delays following this pilot project.

Appendix D: Resolution of Council

RESOLUTION OF COUNCIL

WHEREAS the City of Vancouver is experiencing a large and growing backlog of development permit applications, including landscape approvals;

WHEREAS the City of Vancouver is exploring ways to reduce the staff time needed to issue these permits;

WHEREAS the good governance of the City is enhanced by a reasonable and efficient permit issuance process;

WHEREAS the ordinary approval processes will lead to further unacceptable delays.

THEREFORE Council resolves that:

During a 12-month pilot project aimed at reducing the time needed to issue development and tree permits, Council considers the following to be appropriate administrative and enforcement measures:

- A. Notwithstanding section 7.2 and section 7.3 of the Protection of Trees By-law an arborist report should not be required where the proposed development does not include a new building, or a change in the footprint of an existing building, or there is no tree within 2 meters of any proposed construction, unless there is a concern about life safety issues based upon review of the survey submitted under section 7.1 of the Protection of Trees By-law.
- B. In furtherance of section 613 of the Vancouver Charter, no permit is required under the Protection of Trees By-lawfor the removal of any tree with a diameter less than 30 cm. measured at 1.4 meters above the existing grade of the ground adjoining its base that must be removed as a consequence of any proposed development where the use and density of that proposed development is permitted under the relevant zoning provisions for the site.
- C. Nothing in parts A and B of this resolution affects the Protection of Trees By-law as it relates to trees removed for any reason other than the lawful construction of a building as result of the development of a site.

FURTHER THAT:

City staff are directed to report back to Council with an assessment of this pilot project in 12 months, and consider and recommend possible by-law amendments and policy changes to facilitate a further reduction in delays following this pilot project.

Appendix E: By-law Amendment

BY-LAW NO.

A By-law to amend the Protection of Trees By-law regarding the size of trees not requiring a permit for removal

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

- 1. This By-law amends the indicated provisions of the Protection of Trees By-law.
- 2. Council strikes the number "20" from section 2.2 of the By-law and replaces it with the number "30".
- 4. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.
- 5. This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this 2021	day of	,
		Mayor