



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

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TO: Standing Committee on Planning and Environment

FROM: Co-Director of Development Services - Policy & Regulations, in consultation with the Director of Planning, Chief Building Official, General Manager of Engineering Services and Co-Directors of Licences & Inspections

SUBJECT: Property Use, Development and Building Regulation Review

RECOMMENDATIONS

- A. THAT Council support a combined strategy of managing the City's regulatory framework for property use/development/building via:
 - (i) a program of on-going review of existing regulations for currency and effectiveness; and
 - (ii) review of proposed new regulations for ease and effectiveness of administration.
- B. THAT the staff program for review of existing by-law regulations pertaining to property use/development/building focus initially on small commercial and residential projects involving existing buildings, with applicants having little previous experience with City requirements, as outlined in this report.
- C. THAT the existing Policy Impacts Review Committee (PIAC) review proposed new or amended City by-law regulations pertaining to property use/development/building in terms of:
 - (i) effective integration with the existing regulatory framework; and
 - (ii) impact on delivery of application, inspection and compliance services, and organizational sustainability, including resources.
- D. THAT PIAC include a commentary in reports to Council on proposed new or changes to regulations, based on the review carried out in recommendation C above.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services supports the strategy outlined in this report and RECOMMENDS approval of A, B, C and D.

COUNCIL POLICY

There is no applicable Council policy pertaining to regulation review.

PURPOSE AND SUMMARY

For many years, the City has successfully used the regulatory system to enshrine urban design, neighbourliness, safe and sustainable buildings, public consultation/input and many other objectives, to create the built environment we have today. The City's regulatory framework consists of numerous by-laws, policies and guidelines, intended to implement an array of public interests via various permit application and related inspection services. The City's regulatory framework has grown to respond to new policy initiatives and public demands which, over the years, have led to increased complexity and, along with the increased volume of applications, longer processing times.

Previous staff increases and process changes have been successful in improving processing times and service in general. However, particularly for homeowners and small businesses, the City's regulatory framework can still be challenging.

While review and revision of existing regulations has always been undertaken to some extent, a more concerted effort on regulatory review is required if we are to effectively manage and improve permit processing, inspection and compliance activities. It is important, for our customers and for the City, to maintain a regulatory framework that is manageable for our customers, while continuing to provide the safe, liveable and vibrant built environment that is a hallmark of this city.

A strategy is recommended for undertaking this work, addressing both existing regulations and new proposed regulations, focussing initially on small business initiatives. Staff also recommends an on-going review of existing regulations, to ensure currency and efficiency and that this review start with regulations affecting small business initiatives. It also recommends that proposed new by-law regulations be reviewed in terms of integration with the current regulatory framework and manageability and effectiveness of administration. These initiatives are generally outlined in this report and will be followed by another report later in the fall, which will recommend the by-law amendments currently being developed.

BACKGROUND AND DISCUSSION

Review of Existing Regulations - General

A staff team, the Policy Impacts Review Committee (PIAC) regularly reviews existing regulations, albeit on an ad hoc basis. In addition, other opportunities arise for staff to consider regulatory changes and/or changes to the interpretation and application of regulations. For example:

- Conflicts between residential regulations limiting fence height and the height required for safety guards were reviewed and reconciled in 2004;
- The “triggers” for building upgrade requirements were also revised in 2004 to rationalize and temper the scope of upgrading required in response to new work on existing buildings;
- Regulations applicable to tents and other temporary structures commonly associated with special events were reviewed and revised last year, establishing less onerous permit requirements; and
- A review of regulations and guidelines pertaining to RS-5, in consultation with a small group of architects with RS-5 experience. This led to a better understanding of the regulations and a focus on process changes.

Comprehensive, by-law specific review is also routinely undertaken in some areas of the City’s regulatory framework. For example, the Office of the Chief Building Official is undertaking extensive review of the Building By-law this year, in preparation for Council adoption of a new By-law suitably reflecting the recently released “objective-based” National Building Code of Canada (NBCC) and forthcoming British Columbia Building Code (BCBC). Over 1,400 changes have been made to the NBCC, all of which are under collaborative review by City and Provincial staff as to substantive and procedural implications of adoption in our respective contexts.

Since sites vary so markedly in terms of size, topography, existing buildings and landscaping, surrounding contexts, and applicable regulations, combined with the varying aspirations of their owners, most projects present unique circumstances and challenges. There are no identifiable ‘magic bullets’ in terms of regulatory changes that would offer widespread relief from current regulations. It is therefore proposed that difficulties affecting small projects be the first focus of staff analysis. These are outlined below.

Review of Existing Regulations - Small Commercial Projects

It is staffs’ perception that our regulatory framework is challenging for first and only time applicants, particularly those without a professional consultant. Generally, these are small commercial or residential projects seeking to occupy, alter or expand existing buildings. With this in mind, an inter-departmental staff team representing Planning, the Chief Building Official, Development Services, Engineering and Licenses and Inspections has been meeting to determine how the regulations which affect small businesses could be streamlined to address customer concerns.

A report to Council recommending various by-law amendments is scheduled for this fall. These amendments will address Zoning and Development, Parking, License, and Building By-law regulations containing requirements that can inhibit small-scale businesses seeking new locations. In general, the amendments being prepared will:

- reduce the parking and loading requirements for many “small scale” commercial uses in our larger commercial zones (C-2 & C-3A);
- amend the existing “small suite” provisions within the Vancouver Building By-law to allow reduced requirements for toilet rooms in small commercial occupancies;
- encourage increased fire separations between commercial suites in new buildings to allow greater flexibility for future changes of use without the need for up-grading; and

- update various licence and zoning use definitions to reflect contemporary business activities and achieve greater consistency amongst by-laws;
- permit kitchen exhausts to discharge to the street or lane using new technology to reduce noise and odour. Typically the Building By-Law requires these exhaust ducts to discharge up to the roof, which is often not possible in an existing building. This revision will make it easier for restaurants to move into existing tenant spaces; and
- permit small business schools to be considered as a “Business and Personal Service occupancy” (Group D) rather than an “Assembly occupancy” (Group A). Using Group D requirements will be less onerous and more in line with the nature of small business schools.

The staff team review also identified the need for improved procedures and services for small business customers. Improvements being undertaken in concert with the regulatory changes include updated brochure and website materials to provide more comprehensive and current information, improved signage to direct customers to the correct starting point, and staff training. Staff has designed a "process map" for business license customers, which will improve the initial screening of a request so that customers can be more appropriately directed to the right staff for assistance. Over the long term, we hope to move towards creation of a Small Business Centre, perhaps modelled after our existing Housing Renovation Centre. Further details on the proposed improvements in the small business category will be reported separately in the subsequent report to Council.

Staff believes that these changes will significantly reduce the complexities and regulatory delays for small business customers seeking to locate a new business in an existing building. The new amendments, while not eliminating the need for permits and licenses, would allow “small suite” proposals to avoid more complicated permit processes and reduce the extent of building upgrades required under the Vancouver Building By-law. In addition, website, City Hall signage and reception services improvements are expected to enhance our information services to this customer group and to reduce incidents of customers starting their enquiry process at the wrong location or being “bounced” from one area to another.

Review of Existing Regulations - Small Residential Projects

Another area of concern is small residential projects. Development Services’ Housing Renovation Centre (HRC) provides dedicated staff assistance to applicants wanting to alter or add to existing, older homes, many of which are non-conforming to current regulations. The impetus for the HRC was the idea that specific staff assistance might encourage applicants to renovate rather than demolish and build new, which often results in a loss of community character and needless demolition waste.

The HRC has been successful; however existing regulations still pose challenges in permitting modest alterations and additions. Many development application approvals require discretionary approval, (which may include neighbourhood notification) are time-consuming to process, and may still require Board of Variance approval. Related building permit approvals can pose requirements including the sewer connection and trade permits required for any drain tile, electrical, plumbing, gas or sprinkler installation during the construction. For the homeowner, these often unexpectedly expand the scope - and cost - of their project. It is also a growing concern to staff that many homeowners do not see the value added to their project in obtaining the required permits, and that some will risk undertaking work without permit approval.

Therefore, following completion of improvements for small businesses, it is proposed that staff focus on the most common, contentious regulatory issues faced by applicants in the residential stream, which include:

- restrictions on side doors;
- restrictions on second front doors (e.g., French doors onto a lower level patio);
- restrictions on covered decks; and
- limitations on above grade floor area (where the lower floor in older houses is too close to grade to be a basement, the “main floor” is then the second floor, limiting or precluding additions to the upper floor.

These regulatory concerns may seem small but are faced by a significant number of applicants and can be perceived as over-regulation. The covered deck restriction is also the subject of many “Work without permit” infractions. The Director of Planning has no discretion regarding the first three restrictions, and such applications comprise many of the appeals to the Board of Variance.

Staff anticipate the practical and policy considerations of different alternatives can be analyzed and recommendations framed in a Council report by next spring.

Reviewing New Regulations

Since 2002, Directors and/or Managers in Community Services and Engineering Services have met monthly to review emerging policy and related draft regulations. The intent has been to ensure that new regulations will satisfy the policy intentions of Council in a manner that can be effectively administered. This initiative, known as the Policy Impacts Advisory Committee (PIAC), has achieved some success. PIAC has also provided an opportunity to incorporate some commentary in the resultant Council reports regarding the staff resource and process time line implications of the additional new regulations.

In order to better manage the capacity of the civic organization to sustain additional regulations, it is proposed that PIAC’s commentary include an assessment of the possible resource impact of administering new regulations.

With every new regulation establishing additional requirements there may be additional City costs to sustain it, even if the direct costs are then recovered via revised application fees. Conversely, with every reduction in regulation there may be reduced City costs (and reduced application revenues) since fewer City approvals may be required. This may provide either general improvement in service delivery times and/or capacity to support additional regulations in future.

PERSONNEL IMPLICATIONS

While difficult because of time-sensitive project-related priorities, the initial review focussing on regulations affecting small commercial and residential projects can be undertaken with existing staff resources, as can the preparation of new Building By-law regulations and the review of proposed new regulations via PIAC. A more systematic and aggressive review of existing regulations would require additional resources that could be allocated exclusively to this task.

CONCLUSION

Maintaining a sustainable regulatory framework requires implementation of a program through which the City can review existing and proposed regulations with respect to effective integration within the regulatory framework, and efficient and effective administration to achieve regulations' policy objectives. Much of this is already in place but can be augmented, using existing staff resources, to undertake focused reviews of regulations affecting small commercial and residential projects involving existing buildings.

Staff will report the results of the small commercial projects regulation review this fall and the small residential projects review in the spring of 2007.

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