

Development and Permit Process Improvements.

June 8 , 2021

Presented by:

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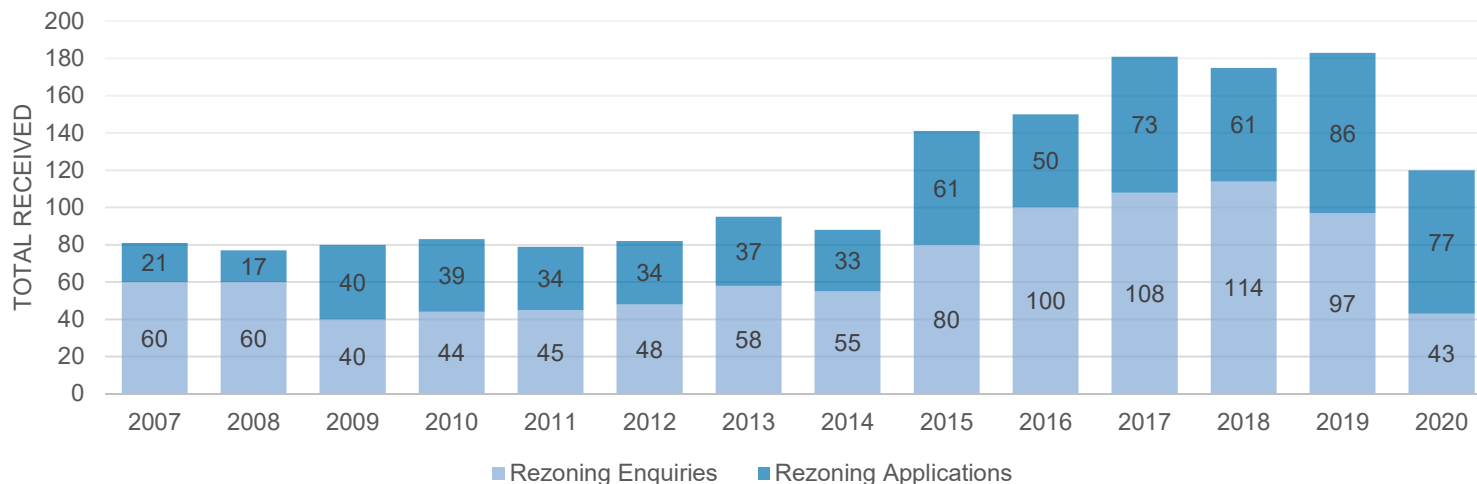


1. 2020 Recap
2. Update on Transformation Initiatives
3. Overview of Development Application
Permitting Modernization Task Force
4. By-law / Policy Recommendations

2020 Recap

- Major contributor to keeping the economy going during COVID
- Pivoted and transformed our business model
- Shifted in person staff Development Permit application review, decision meetings and DP Board to a virtual platform
- Temporary Expedited Patio Program
- Supported COVID emergency response
- Increasing opportunities for electronic submissions and doing everything we can to make all permit and licensing applications digital
- Several trade permits now fully enabled online

REZONING ENQUIRIES AND APPLICATIONS RECEIVED



- Rezoning application volumes maintained historic trends despite the pandemic in 2020

Development/Building Permits and Inspections

Enquiries

- Shift to digital has seen an increase in customer interactions and pre-application enquiries in 2020 and 2021 year to date.

Development and Building Permits

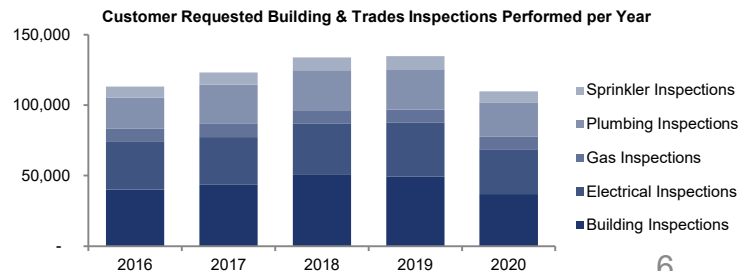
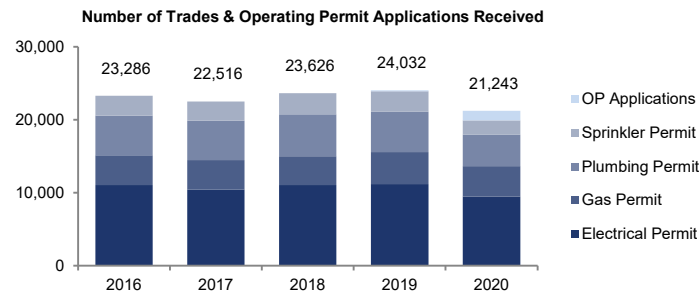
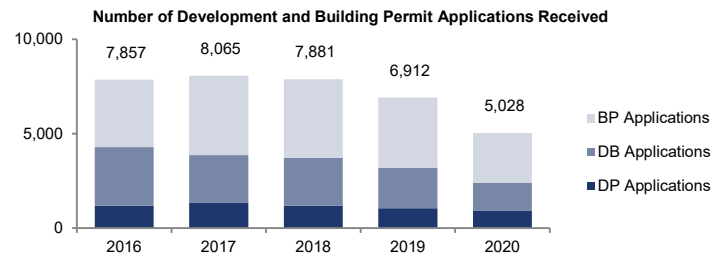
- 2020 saw approx. 27% reduction on 2019 applications volumes. Staff efforts focused on instream applications from prior years.
- 2021 budget assumes 2% growth on 2020 revenue generating applications. We have seen 5% growth in revenue generating applications as of Q1 2021.

Trades and Operating Permits

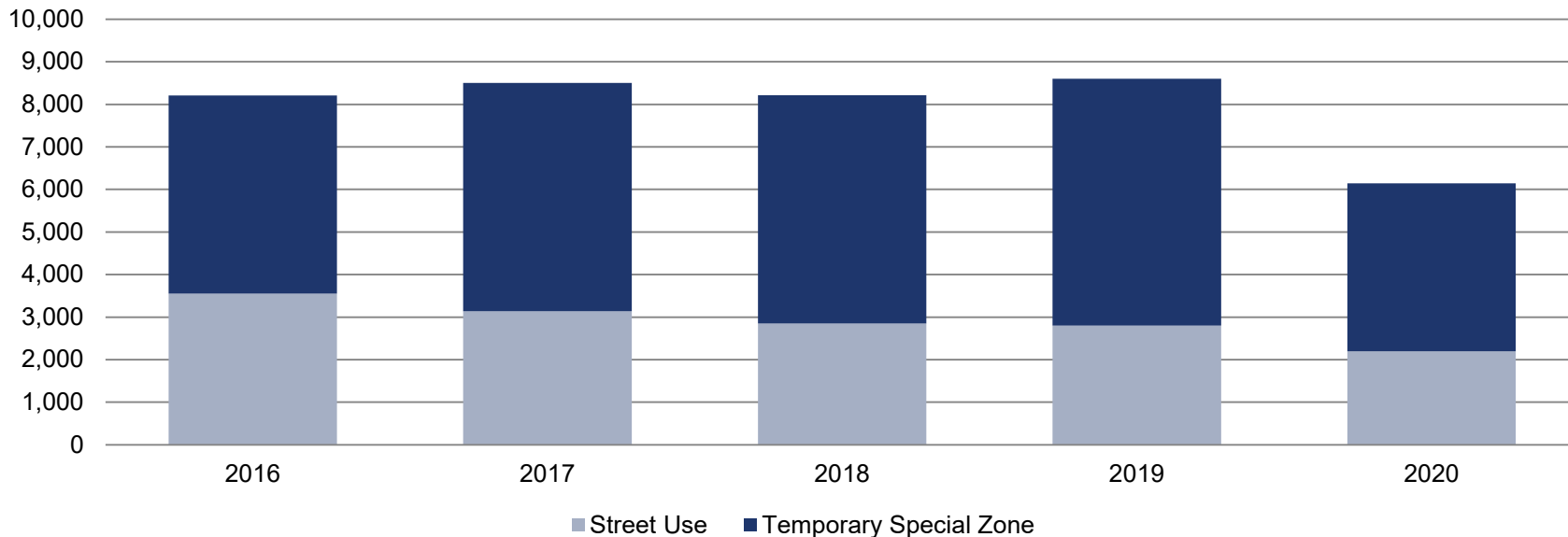
- 2020 saw approx. 17% reduction on 2019 application volumes.
- New in 2020: over 1,300 applications were received for Operating permits related to Water Systems.

Building & Trades Inspections

- 2020 Customer inspections declined by 5-25% (depending on discipline) compared to 2019.
- Progress/inactivity inspections completed (approx. 20,000 per year) consistent with prior years.
- Building Inspector resource capacity reallocated to support processing building applications.



Engineering Permit Applications Received



- Street Use Permits and Temporary Special Zones represent the permitted use of City Street, primarily associated with construction activities
- Temporary Special Zones saw a 30% decrease in 2020, primarily in the spring, whereas Street Use Permits saw a 20% decrease primarily in the summer.

Initiative Updates

Transformation Program Context



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 service delivery and application processing.

Timelines typically associated with technology and transformation projects are multi-year and the pandemic created an extreme circumstance that has warranted the pursuit of regulatory and process simplification solutions to offset operational pressures in the nearer term.

This transformation program continues to be an organizational priority and is its work streams (projects / initiatives) are organized as primarily improving our processes (Process), our regulations (Regulatory) or our technology (Digital).

Transformation Program: Regulatory Streams



Activity	Description	2020	2021	2022	2023	2024
Regulation Redesign	Simplifying and clarifying regulations and improving the user-friendliness of the Zoning and Development By-law					
Policy Implementation Advisory Committee	Forum to assess the impact of upcoming policy and regulations					
Accounting Standards Shift (PSAB 3400)	Align with upcoming revenue recognition accounting standard that the COV must comply with by 2023					

Transformation Program: Process Streams



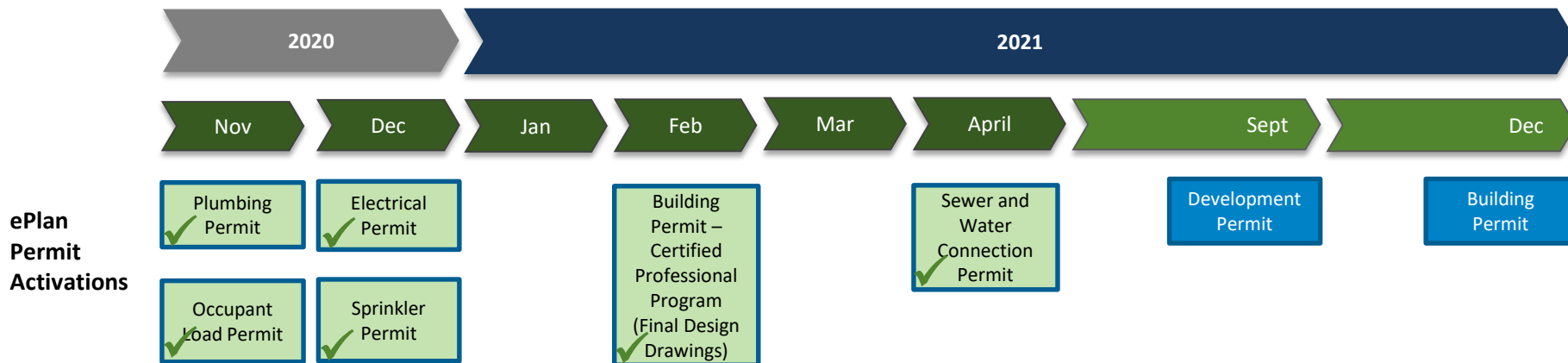
Activity	Description	2020	2021	2022	2023	2024
Development Process Redesign (DPR)	Examination of the development approvals process from end-to-end					
Sprinkler Review	Targeted review of our Fire Sprinkler Design, Permitting and Construction Process with a view to improving the overall process and experience					
Gold Processes	An effort to design and document (iteratively and on-going) the processes that support our target state designs for our core permitting and licensing services. A 'gold' process is one upon which our standard operating procedures will be based.					

Transformation Program: Digital Streams



Activity	Description	2020	2021	2022	2023	2024
Shift to electronic plans	Enable digital submission, review and approval of plans					
Product & Service Design Roadmap	Design customer centric, digital and data driven permitting and licensing services that provide a consistent, predictable and efficient experience for both customers and staff.					
Leverage existing technology and processes	Improve the adoption and consistent use of certain under-utilized features of DBL's current technology by staff and customers.					
Interactive Digital Development Application (Provincial funding submission)	Digitize by-laws and conditions related to property development in order to support an interactive online approvals process.					
Analytics & Insights Redesign	Develop a framework for measuring the impact of changes and business performance across customers, staff, channels, service levels and financial health.					
311 & Multi Channel Shift	Increase use of digital and self-service channels (including 311) for customer journeys that balance customer experience and service delivery efficiency.					

ePlan Progress: Activations



ePlan Activation: ability to perform the entire permit plan lifecycle electronically from online submission to reviews, stamping, sealing and ultimately, approvals

ePlan Project – Benefit Highlights

- 6 of 8 permit types completed
- Significantly reduced costs relating to: printing , courier and drop off wait times
- Saving 23,000 large paper plans printed per year on Trades permits
- Scanning and manual stamping of ~11,500 large sheets per year
- 1,500 trips to City Hall to drop off / pick up plans per year
- Lower processing time (initial trend), due to full end-to-end electronic review process efficiencies
- Over 120,000 approved paper plans individually stamped and scanned to electronic record each year
- Improved stamp & seal process (digitally) without sacrificing legal reliability
- Streamlined review & collaboration through digital software & modified processes



311 & Multi-Channel Shift: Improvement Trends

March 2020

February 2021

March 2021

May 2021

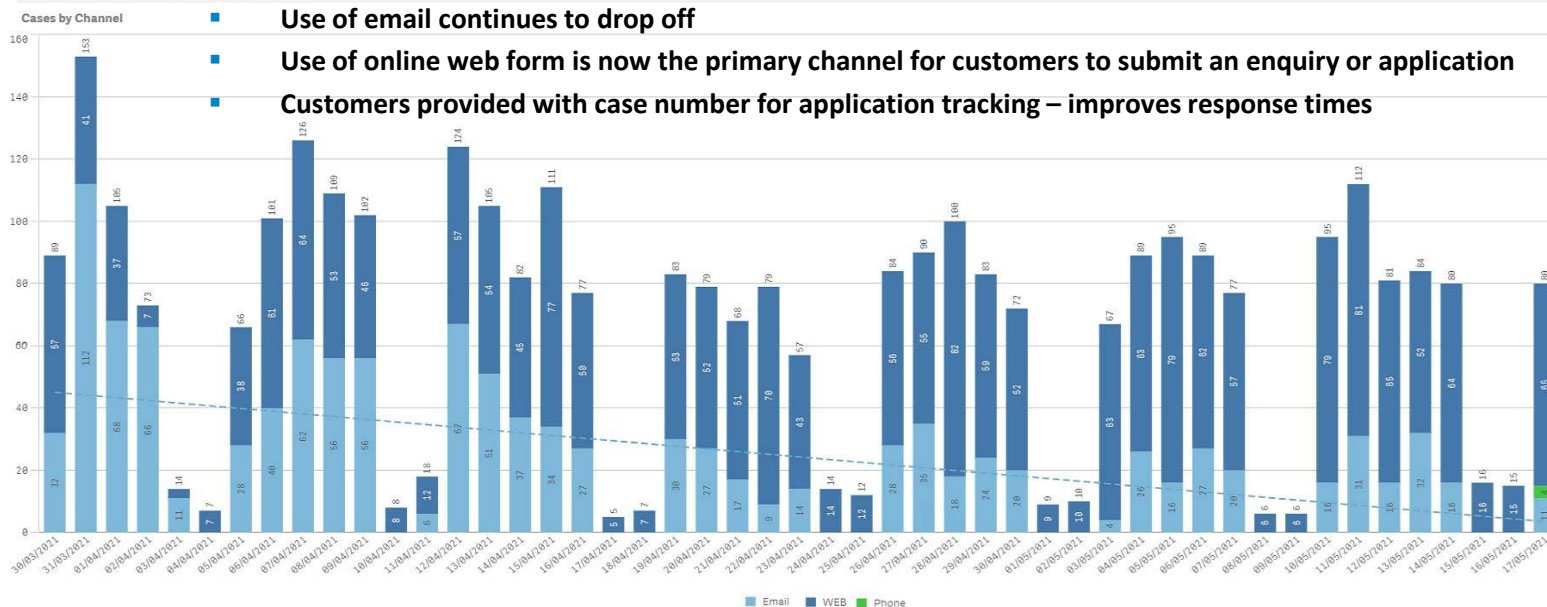
Intake Queue: 200-300

Application Backlog Reduced by up to 80%

Response Times: 3-4 weeks

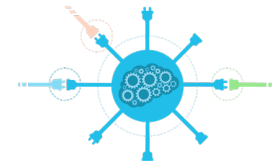
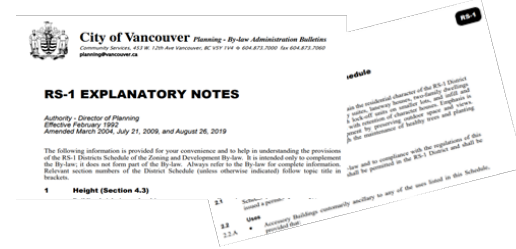
Response Times Improved by 50%

3-1-1 DBL Enquiry Centre Summary



Vision: Improve the development application experience & reduce time to issuance

- Simplify our complex regulations and conditions by providing accurate and relevant information specific to each customer's project or request
- Speed up applying for and issuing development permits for a range of customer projects through informed online application journeys
- Strong foundation for future permit modernization
- Available Funding: \$15M province wide
 - CoV requested \$2M
 - Timeline: 2 year project: Sep 2021 – Aug 2023

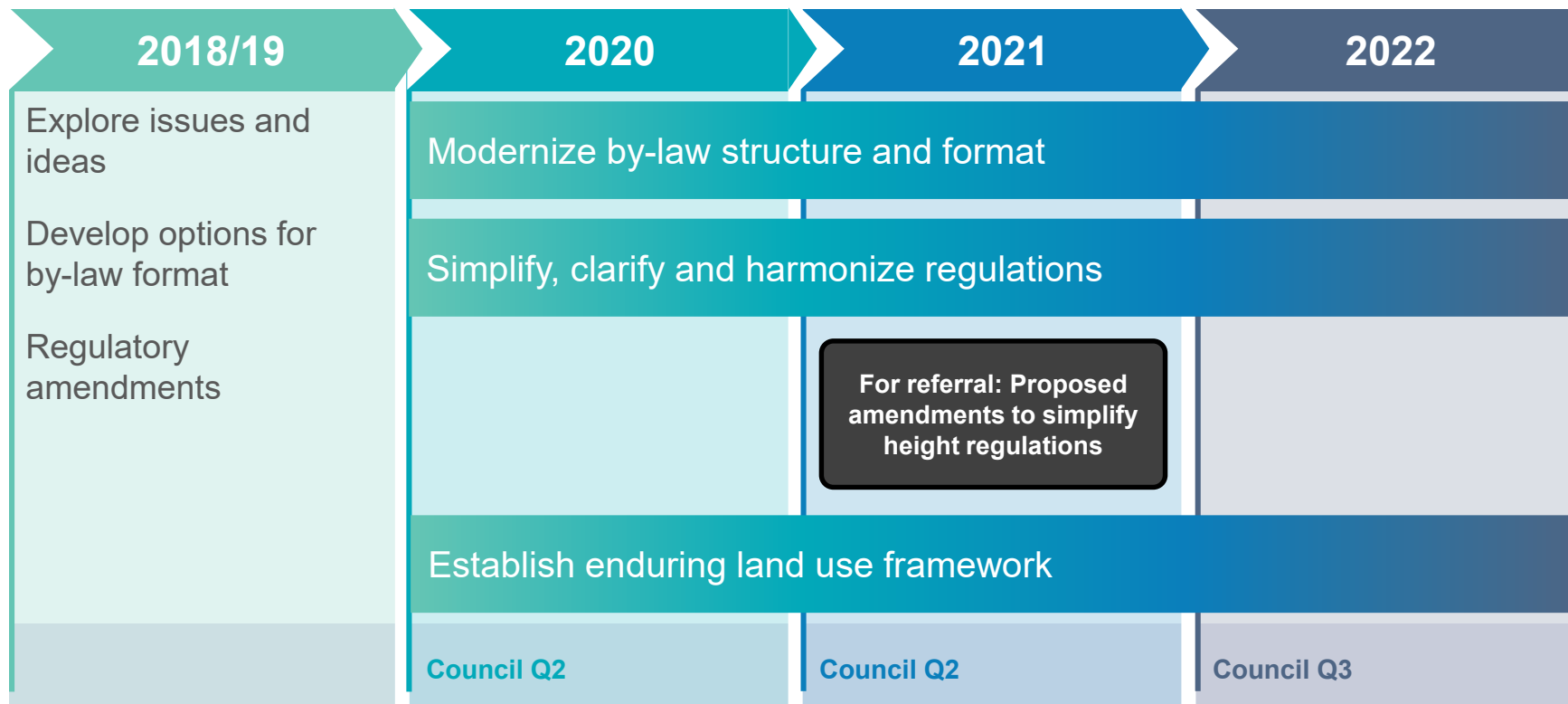


- A critical examination of the development approvals process from end-to-end
- 2020-2021: Rezoning focus + accomplishments
 - Current state process mapping
 - Improved project tracking
 - Centralized documentation of procedures
 - Website improvements
 - Continual process improvement, training, change management

2021-2022

- DPR External Group
 - Focus areas
 - Rezoning enquiry, Policy enquiry, application, enactment, public consultation, customer service, policy framework
 - Draft recommendations from committee – September report to Council
- Redesign
 - NEW options for Rezoning Enquiry
 - NEW Policy Enquiry process for policy non-compliant proposals
 - NEW procedures for non-compliant rezoning applications
 - Comprehensive project review assessment
- Development Permit focus
- Information management

Regulation Redesign – Work Plan



RM-X

3.2 Duplex, Single Detached House, and Single Detached House with Secondary Suite

Duplex, single detached house, and single detached house with secondary suite are subject to the following regulations.

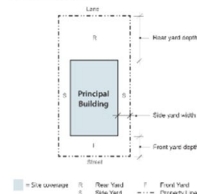
3.2.1 Density and Floor Area

3.2.1.1 The maximum floor space ratio is 0.6.

3.2.2 Building Form and Placement

Regulations	RM-X
3.2.2.1 Maximum building height	107 m
3.2.2.2 Minimum front yard depth	6.1 m
3.2.2.3 Minimum side yard width on each side of the building	10% of site width
3.2.2.4 Minimum rear yard depth	10.7 m

Diagram: Building placement for duplex, single detached house, and single detached house with secondary suite



3.2.2.5 Despite the minimum side yard width in [section 3.2.2.3](#) above, a side yard need not exceed 1.5 m in width.

3.2.2.6 Despite the minimum rear yard depth in [section 3.2.2.4](#) above, where the rear of the site abuts a lane, the required minimum rear yard depth will be decreased by the lane width between the rear property line and the ultimate centreline of the lane.

3.2.2.7 Despite the minimum rear yard depth in [section 3.2.2.4](#) above, where the principal building or any portion thereof abutting the rear yard is 9.1 m or less in width and is located 7.6 m or more from an adjoining site, it may extend up to 3.0 m into the required rear yard.

Principles for a user-friendly by-law



Clear rules and diagrams



Consolidated rules



Consistent document standards

Regulation Redesign – Modernize Z&D By-law

Modernized district schedule format and language

- Accessible for screen readers
- Cross-referencing hyperlinks
- Colour-coding for wayfinding
- Diagrams and tables
- Clarified language and new defined terms

Shape Your City engagement
shapeyourcity.ca/regredesign-by-law
June 15 to July 6, 2021

RM-8, RM-8N, RM-8A and RM-8AN

Use	Approval	Use-Specific Regulations
[Cultural and Recreational Uses]		
Club	Conditional	
Community Centre or Neighbourhood House	Conditional	
Library, in combination with Community Centre	Conditional	
Park or Playground	Conditional	
Plaza	Conditional	
[Dwelling Uses]		
Duplex	Outright	
Duplex with Secondary Suite	Conditional	2.2.1
Duplex, in combination with another principal building	Conditional	2.2.2
Duplex with Secondary Suite, in combination with another principal building	Conditional	2.2.2
Freehold Rowhouse	Conditional	2.2.3
Infill Duplex, in combination with the retention of a building existing on the site prior to January 1, 1940	Conditional	2.2.4
Infill Single Detached House, in combination with the retention of a building existing on the site prior to January 1, 1940	Conditional	2.2.4
Laneway House	Conditional	2.2.5
Mixed-Use Residential Building	Conditional	2.2.6, 2.2.7, 2.2.8
Multiple Conversion Dwelling, having 2 dwelling units	Outright	2.2.9
Multiple Conversion Dwelling, not permitted as an outright use and resulting from the conversion of a building existing as of September 18, 2018	Conditional	2.2.10
Principal Dwelling Unit with Lock-off Unit	Conditional	2.2.9
Seniors Supportive or Assisted Housing	Conditional	
Single Detached House	Outright	2.2.12
Single Detached House with Secondary Suite	Conditional	2.2.12
Single Detached House, in combination with another principal building	Conditional	2.2.2
Single Detached House with Secondary Suite, in combination with another principal building	Conditional	2.2.2
Townhouse	Conditional	2.2.3, 2.2.13
Triplex	Conditional	
[Institutional Uses]		
Ambulance Station	Conditional	

Professional Governance Act

- Came into force on February 5, 2021
- New framework for Engineers and Geoscientists in BC (EGBC)
- July 2, 2021 - Firms will be regulated and must apply for a permit to practice
- This includes the City as well as the external professionals who contribute to regulatory work
- October 2021 – City will be required to ensure submissions from regulated firms include permit to practice number

Latecomer Agreement Framework

- Vancouver Charter change in March 2020 to allow for Latecomer Agreements
- Results in a more equitable framework for developers to share in infrastructure upgrade costs
- On going staff/industry workshops
- Policy Framework Report to Council in fall 2021

Street and Traffic Bylaw Changes

- Updated and user friendly street use permissions
- July 7 Council date

Development Permits – Continuous Improvement Process

- Review and streamline Engineering review processes – Start Q3 2021

Infrastructure Design and Construction Challenges

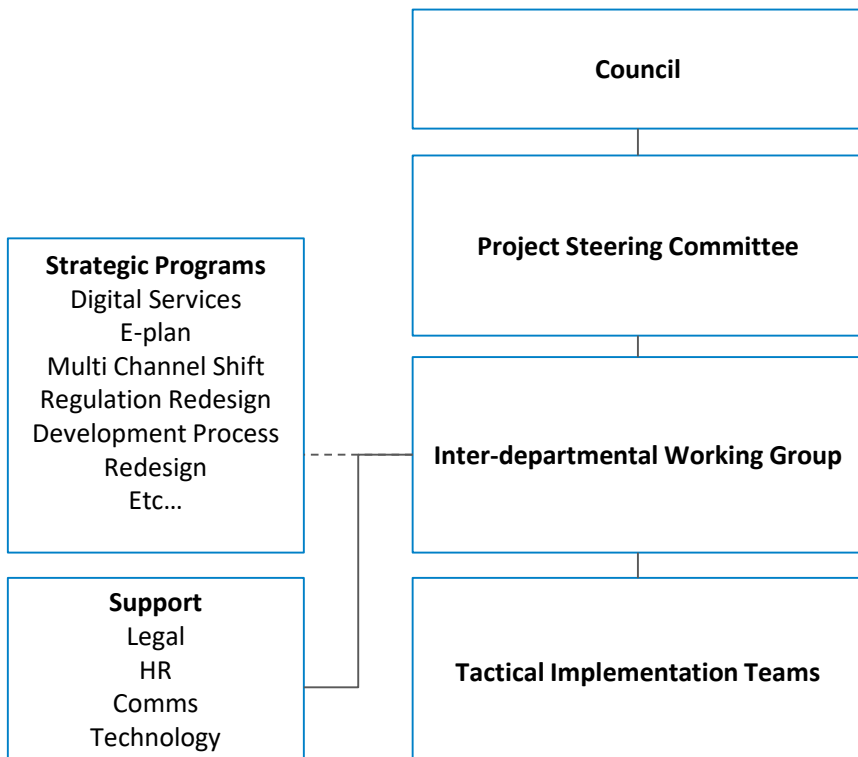
- Significant amount of Engineering work after permit approvals
- Substantial effort needed in reviewing designs and coordinating the construction of required upgraded roadworks and utilities and inspecting the work

Modernization Task Force

- Our processes for granting development and building approvals are experiencing unprecedented pressure resulting in a trend towards increasing delays and significant workforce challenges
- A confluence of factors are contributing to this pressure:
 - Rapid shift to remote service delivery in 2020
 - Volatile demand
 - Knock on impacts from furloughs and unfilled vacancies in 2020
 - Regulatory complexity and competing priorities
 - Technology and business model gaps
- Serious Implications
 - Impact to staff
 - Economic recovery
 - Construction industry
 - Unrecovered costs

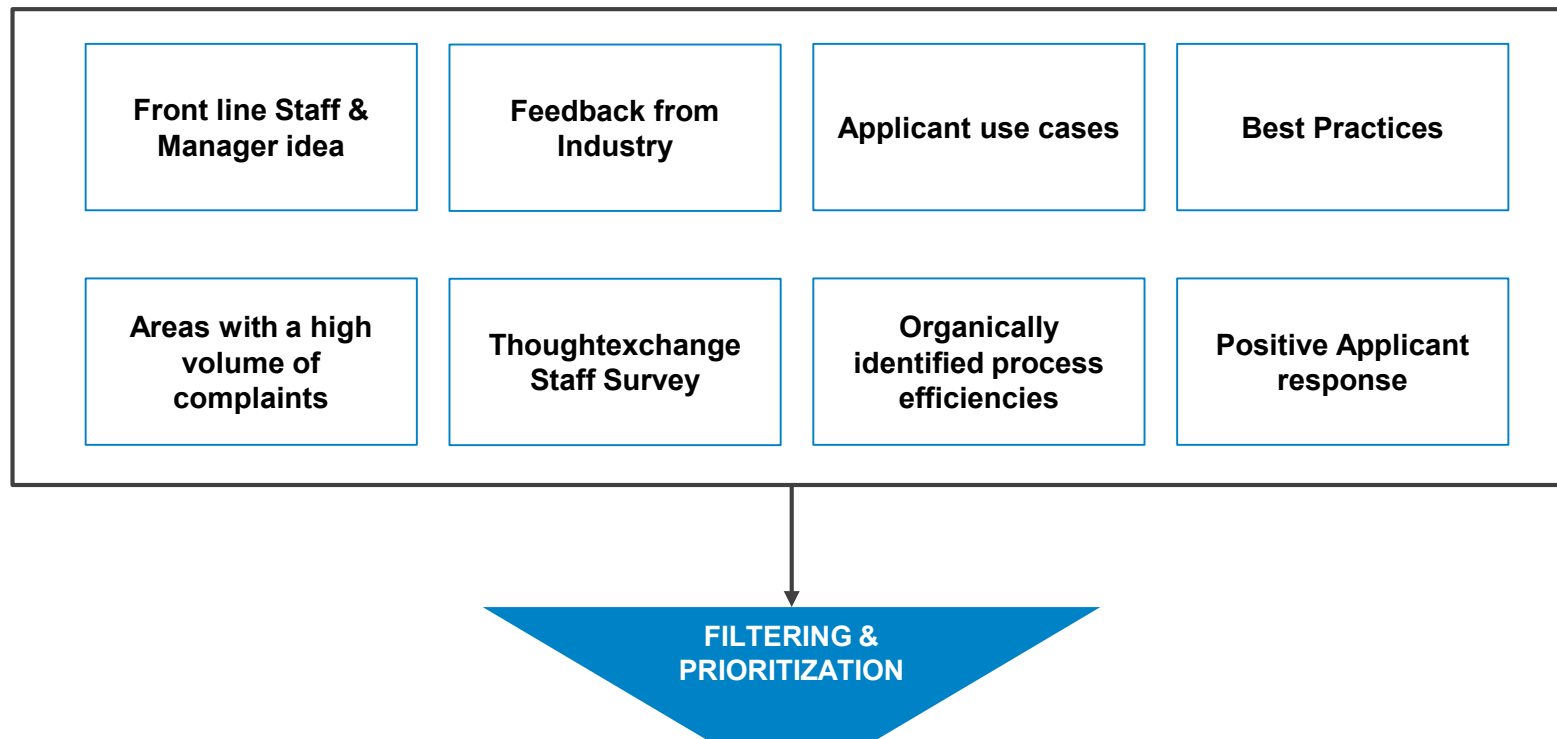
Council Directed Task Force

Calling for a Plan to Clear Vancouver's Permit and License Backlog and Revamp this Critical City Service



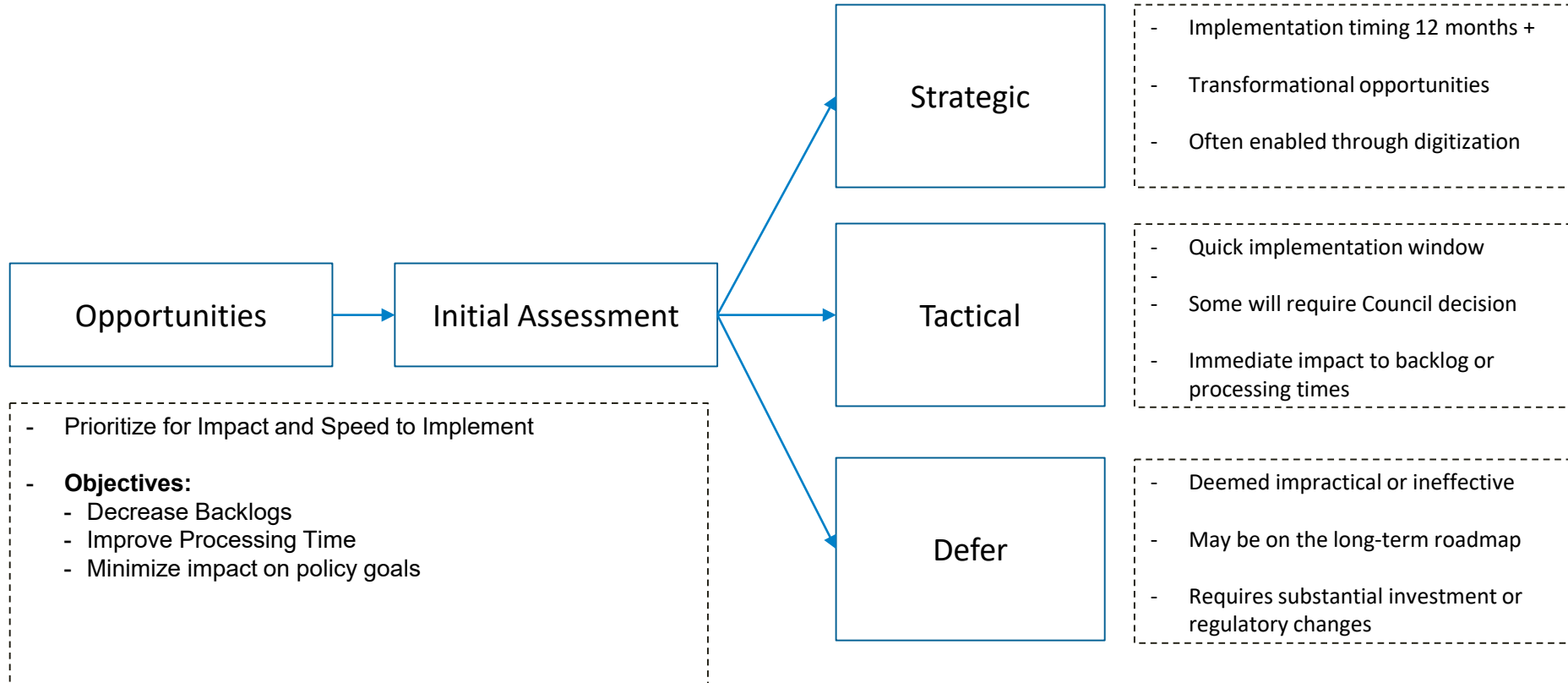
- Council directed the City Manager to strike an Internal **Development Application and Permitting Modernization** Task Force to be headed by the City Manager.
- Mandate:
 - Consolidate and integrate all work related to modernizing the city's development application and permitting and licensing processes;
 - Produce Data
 - 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 adjustments;
 - Provide bi-monthly updates to Council;
 - Pursue funding opportunities
- \$1 million funding
- Substantially reduce the existing backlog of permits and licenses for smaller scale projects by end of Q2 2022.
- 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.

Collecting improvement opportunities



- Approach balances the need to engage industry with the imperative to move quickly – engaged but not on critical path
- Informal meetings and workshops which have validated opportunities on our list
- Focused workshops on specific issues to refine and validate solutions
 - Workshop planned to identify how we can better leverage external experts

Opportunity filtering & prioritization process



Opportunities assessed across three dimensions

1

Is the risk and policy impact manageable?

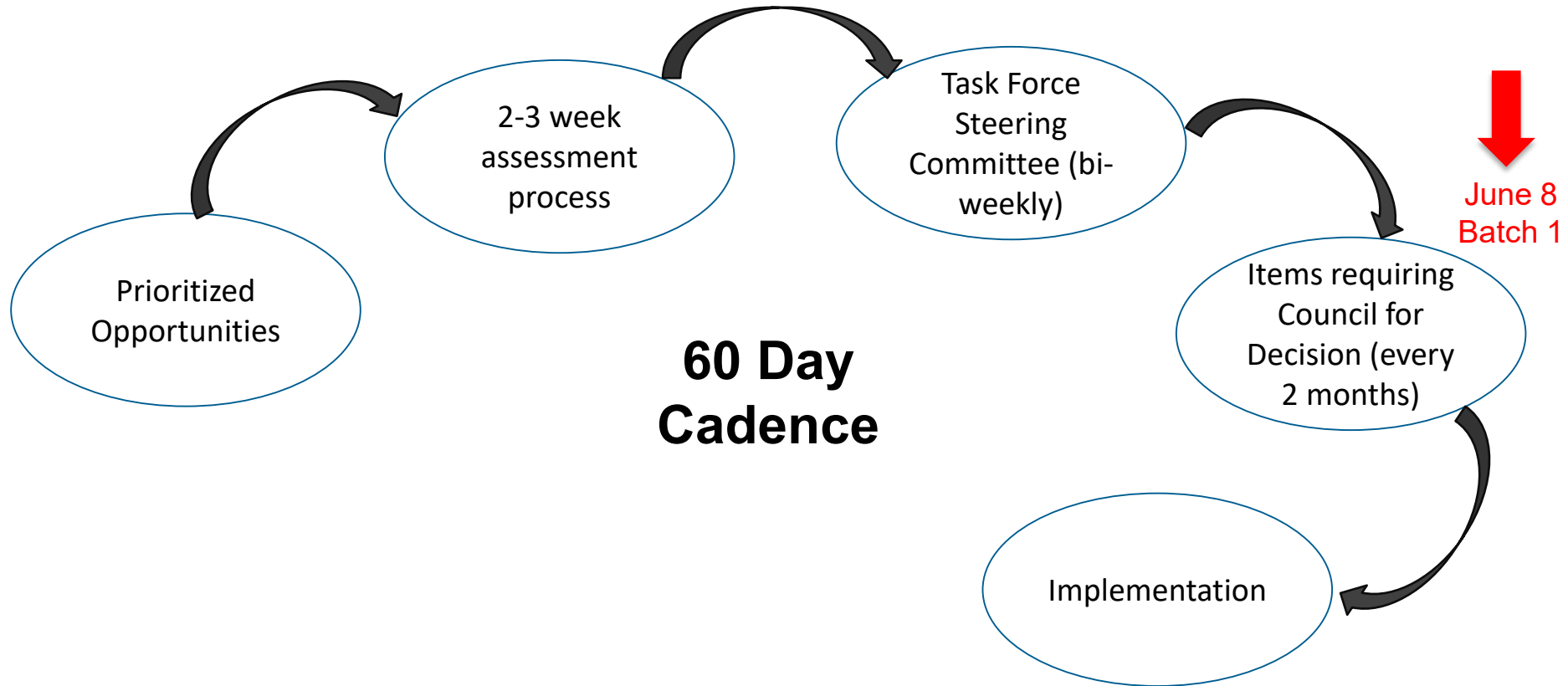
2

Will the change significantly reduce the backlog and/or speed up processing time?

3

Can the change be implemented quickly?

Project Cadence



Batch 1 opportunities



OPPORTUNITY	Operational Decision	Requires Council 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 2 weeks saved per application
Shift onus of landscape maintenance during construction process to applicants for demolitions, renovations and field reviews	✓		480 applications per year 3 weeks saved per application
Relaxations of reviewed related to design guidelines developed for specific neighbourhoods (<i>Council Report recommendation A</i>)		✓	100 applications per year 12 weeks saved per application
Temporary relaxation of the Protection of Trees By-law (<i>Council Report Recommendation B</i>)		✓	265 applications per year 2 weeks saved per application
Extension on implementation of amendments to the Building By-law relating to mandatory zero emission building construction guidelines for all new homes (<i>Council Report Recommendation C</i>)		✓	Additional Staff Hours dedicated to Backlog

10,170 processing weeks saved via an average savings of 2 weeks on approximately 5000 applications

Recommended By-law/Policy Changes

Enable faster processing of residential applications for one and two family dwellings by reducing the number of conditions applied to permit applications

Opportunity description

- Currently two processing streams for one and two family: outright and conditional
- Conditional stream reviews very specific home attributes in certain neighborhoods to preserve character and promote livability consuming considerable staff time
- Outright takes 2 months; conditional takes 4 months
- Conditional stream adds additional cost and complexity
- Laneway houses; character retention/conversion, infill: not included in recommendations.

Sample Adjustment for Design Guidelines for RS-5

Streetscape Character	Continue to review for general compatibility
Form	Only review for (i) Primary Forms and (ii) Primary Roof.
Composition	No review
Doors and Windows	No review – checklist of acceptable door and window types
Materials and Detailing	No review – checklist of acceptable materials
Landscape Design	No review except for Protection of Trees By-Law

Zones for Proposed Relaxations:

RS: RS-3/3A, RS-5

RT: RT-3,RT-6,RT-7,RT-8,RT-9,RT-10

Two ways to improve processing time



STRATEGY

1. Streamline Planning review of guidelines for neighborhood character/ streetscape

2. Streamline Landscape review of guidelines for neighborhood character/ streetscape

PROPOSAL

Deprioritize detailed review of architectural design: composition, doors and windows, materials and detailing. Only check roof and overall form.

Only review landscaping for life safety concerns and deprioritize all other landscape reviews

IMPACT

Potential for houses that don't match neighbourhood character and resident complaints

Potential for out of character landscaping, potential loss of privacy screening and resident complaints.

BENEFIT

8 to 12 weeks for ~ 100 permits per year
Reduces departmental handoff and bottleneck

8 to 12 weeks for ~ 100 permits per year
Reduces departmental handoff and bottleneck

Temporary relaxation of the Protection of Trees By-law

- Scope: trees on private property; does not include trees on public land
- Current requirement to protect all trees over 20cm, except in very limited instances
- Current strategy has been effective at retaining trees, but has had significant impact on permit processing
- Proposed path is a trade off between tree retention and permit processing impacts by enabling reasonable relaxations

Three ways to improve processing time



STRATEGY

1. Limit when we require Arborist report

2. Allow flexibility with trees that conflict with accessory buildings

PROPOSAL

Limit requirement for arborist reports to trees over 30cm diameter. No arborist report required for field reviews and renovation permits, if no trees are impacted by the proposed work.

Allow greater applicant flexibility when trees conflict with accessory buildings

IMPACT

Manageable risk increase.

~40 trees per year

BENEFIT

1 week for all permits, as well as cost avoidance for applicants

8 to 12 weeks for ~ 100 permits per year
Reduces departmental handoff and bottleneck

Eliminates a significant source of multi-month permit processing churn thereby increasing positive impact

Three ways to improve processing time

STRATEGY

3. Increase the threshold size for tree protection

PROPOSAL

Amend bylaw to allow for non-enforcement up to 30cm from 20cm. Trees under 30cm will not require a permit for development purposes.

IMPACT

~200 trees per year with no replacement trees.

BENEFIT

2 weeks to 8 weeks for ~ 170 permits per year

Context

- Staff explored options at 30cm, 40cm, 50cm, and 60cm.
- Smallest number recommended to allow for processing gains and to manage the potential for tree loss

Eliminates a significant source of multi-month permit processing churn thereby increasing positive impact

12 month extension on effective date
of previously approved Jan 2022
VBBL update to allow DBL staff to
focus on clearing backlog before
reallocating staff to developing
implementation framework for
overseeing mandatory compliance of
zero emission requirements for new
houses

- 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
 - Cooking, fireplace and BBQ are still able to use natural gas
- Policy approved by Council April 2020 for building permit applications received starting Jan 1, 2022
- DBL staff requesting reprieve due to limited capacity to engage in implementation discussions that would limit processing capacity. E.g., how to ensure compliance

Options and considerations

Continue with **2022** implementation

Considerations:

- Depending on operational design, which is as of yet undetermined:
 - Permit volume may increase in fall 2021 putting additional pressure on DBL
 - Additional reviews, training and inspections may increase permit processing times
 - Learning curve for staff and applicants in early days of new policy will lead to time impacts
- Creates 2 residential regulatory streams, could increase backlog
- Begins building industry capacity (in easier to implement new construction) to prepare GHG limits on existing buildings
- DBL staff will be challenged to absorb policy at this time and operational uncertainty could erase other Task Force gains

Defer implementation until **2023**

Considerations:

- Reduces complexity on 400-500 new home applications in 2022
- Provides DBL staff with additional time to develop operational design while allowing them to focus on reducing permitting backlog in 2021
- Creates some uncertainty for heat pump suppliers and local window manufacturers that have been preparing for change, this is offset by delay in manufacturer certifications due to COVID-19
- GHG emissions will be roughly 1000 tonnes/year higher if the anticipated 400-500 new homes choose gas heating

- Batch 2 analysis underway
- Items presented in batch 1 chosen for speed and impact
- Next update in September