City of Vancouver Permitting and Licensing Update

Presented to Vancouver City Council

February 14, 2023

Objective of today's presentation

Update Council on the various work components underway to improve permitting, licensing and rezoning processes.

To discuss today

1. Permitting and licensing
    A. Overview
    B. Challenges and opportunities
    C. Key initiatives recently completed
    D. Work plan for 2023
2. Rezoning
    E. Overview, metrics and trends

1.
Permitting and licensing overview

Why we issue permits and licences …

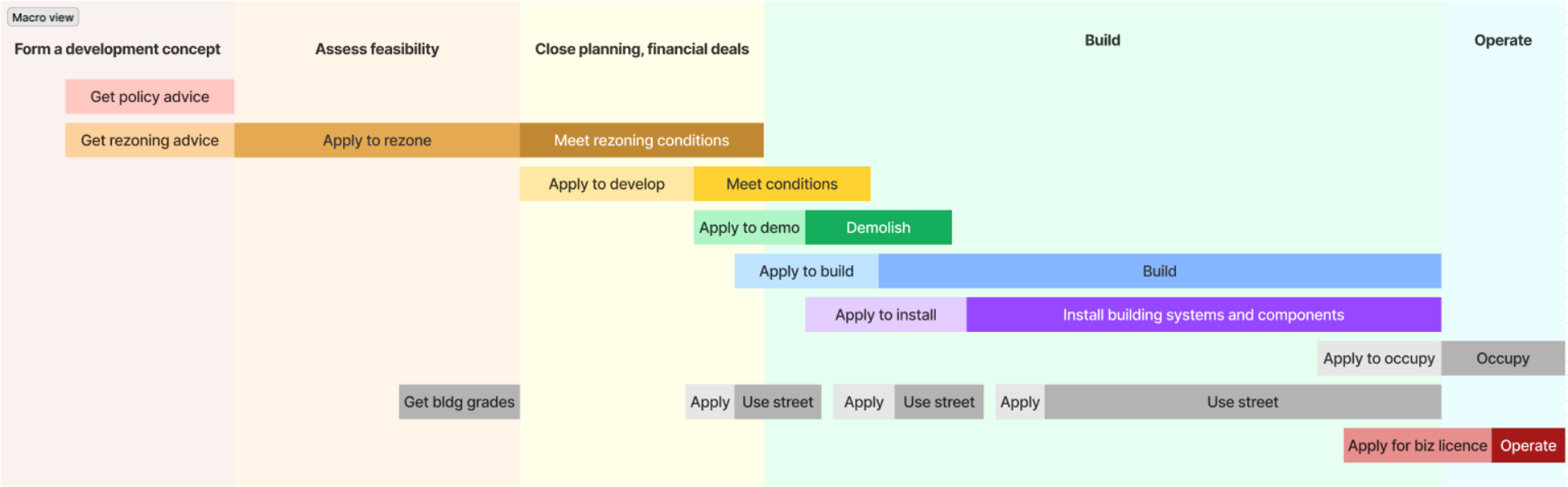
The City issues permits and licences in order to ensure that businesses and buildings are safe, accessible and sustainable and to meet various public policy objectives through building, development and commercial activities.

The City relies on permits and licenses to implement a range of important policy objectives. However, the complexity of the policy framework that has been developed over time has greatly increased the effort and time required to administer it.

This fundamental challenge is being addressed.

Permit streams

Approval to construct a new building involves many permits/steps



An applicant may go through all of the above steps or only a subset, depending on project complexity.

View of permits and licences issued by the City of Vancouver

Business Licences	Building Permits	Development Permits	Trades Permits	Others
Cannabis retail store	Development and Building Permit (for new low-density)		Plumbing	Occupancy permit
Clothing donation bin	New build	Major Development	Electrical	Sign permit
Liquor-serving establishment	Complex renovation	Development	Mechanical	Street use permit
Home-based business	Field review	Change of use		Sewer and water permit
Residential rental	Direct to inspections	Tree permit		Film permit
etc. (~ 600 categories)				Subdivision application

SCOPE FOR TODAY

Development Permit vs Building Permit – what's the difference?

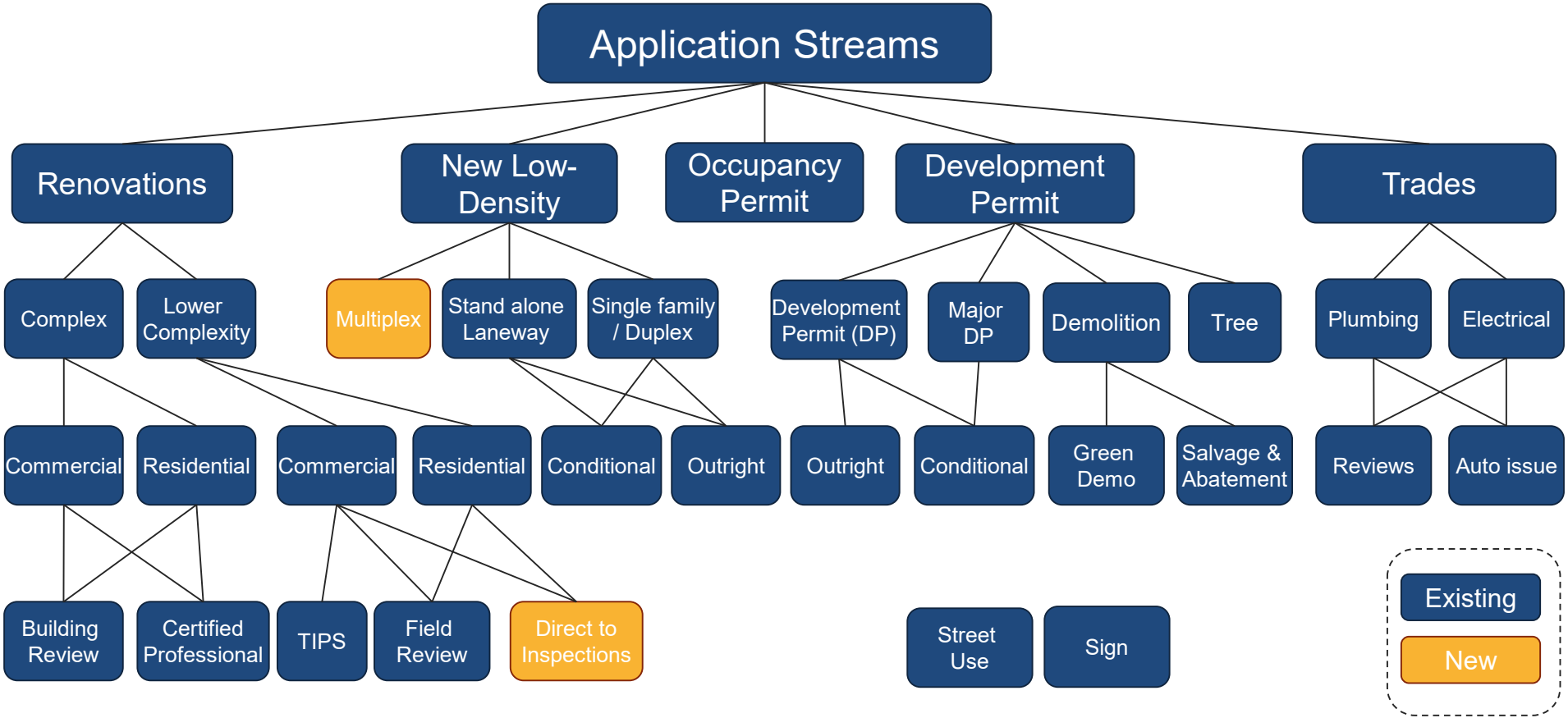
Development Permit

Permission to develop land according to land use approval.

Building Permit

Permission to build or renovate a building under prescribed by-laws.

Multiple permit application streams – tailored to project type



Licence streams

The City administers over 600 different types of business licences

General business Licence

Short-term rental

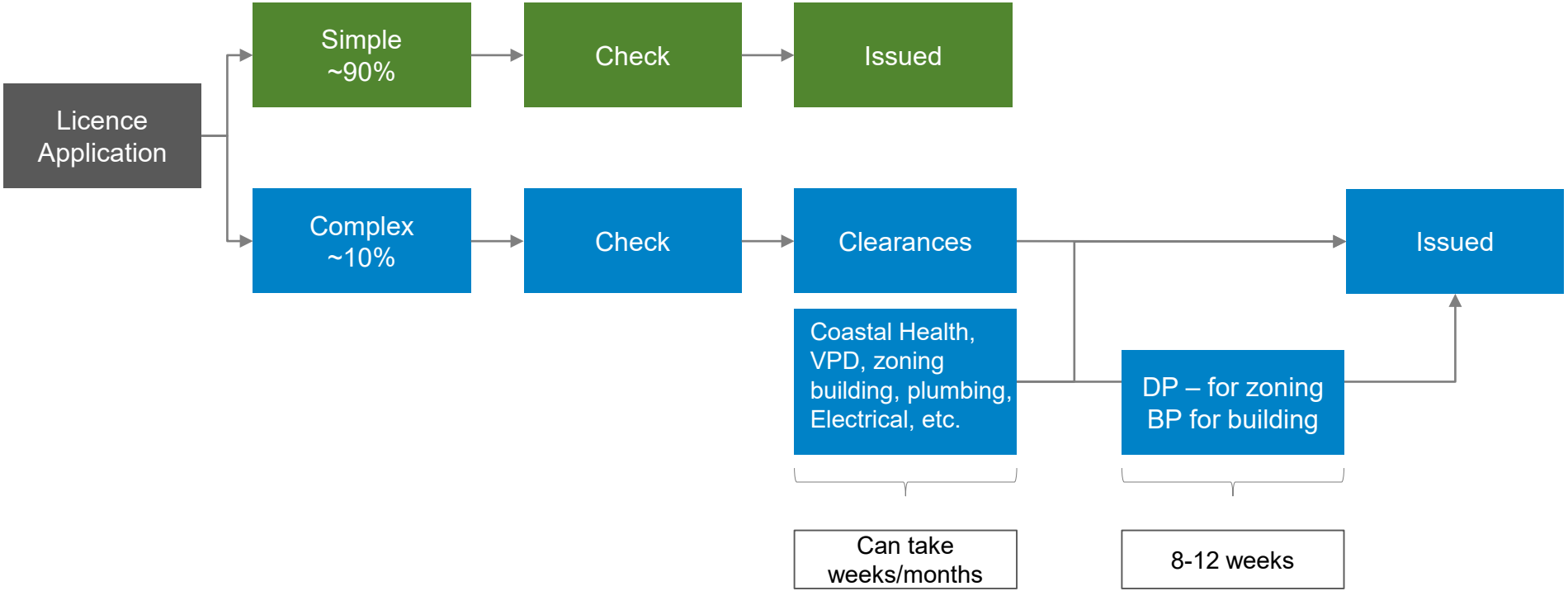
Vehicles for hire

Liquor

Cannabis

Some examples.

Overview of the City's business licence process



Simplified, high-level view, several activities can take place in each step.

Challenges and opportunities

The problem/opportunity

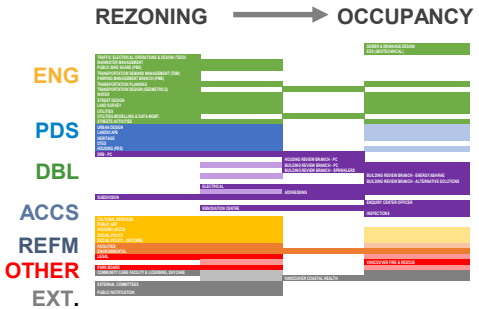
Layers of complexity impede the City's ability to issue permits:

- Excessive review time for projects
- Increase costs and slowed pace of development
- Competing regulations and priorities
- Frustrated applicants
- Staff burnout and frustration

A transformative approach with radical change is required to improve the system.

Factors creating complexity for permitting and licensing

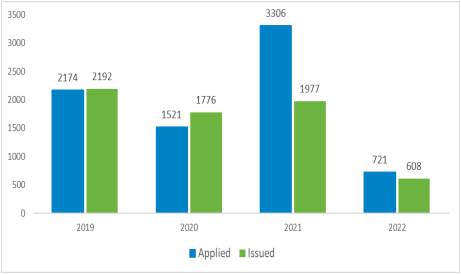
1 Up to 45 review groups per permit



2 ~ 650 policy documents governing development

3 Application quality substantially varies

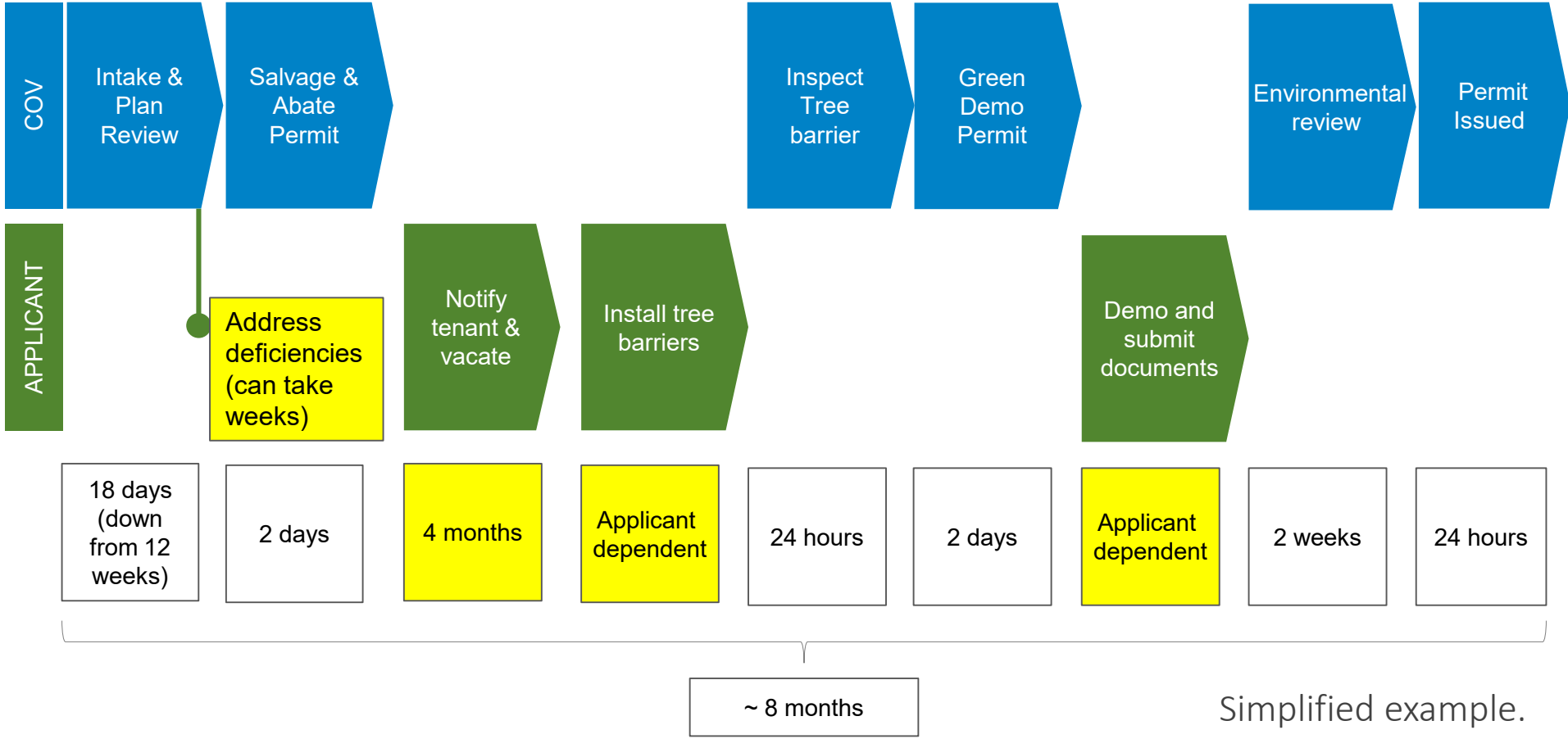
4 Variability in number of permits per year



5 Applicant turnaround time substantially varies

6 Project scope substantially varies within a permit type

End-to-end process time highly dependent on applicants



Simplified example.

What we have heard that applicants want

1. **Predictable and transparent.** Predictable, transparent, and understandable
2. **Simple.** Clear with minimal layers of regulation and policy
3. **Right-sized efforts.** Right-size effort-to-reward ratios, take a calculated risk approach in issuing permits and enforcing compliance
4. **Positive customer experience.** Responsive and customer/industry-centric
5. **Speed.** Fast and efficient

Systemic opportunities to create transformational change

Process

Streamline processes and eliminate unnecessary steps

Policy & regulations

Simplify and clarify existing policies

Governance

Ensure issues are escalated to the right person(s) quickly to make a decision

Applications

Develop tools to improve the quality of applications

External consultation

Work collaboratively with applicants to identify and implement solutions

Staff culture

Shift internal culture to be customer centric and work collaboratively with applicants

Key improvements recently delivered

The Task Force has transitioned to Permit Improvement Program

Permit & Licensing Modernization Task force

Focused on small, high volume applications.

Quick wins and pilot projects.

Significant improvements seen for small scale projects.

Permit Improvement Program

Cross departmental, system wide approach to transforming permitting and licensing.

Changes will take longer, but will yield systemic improvements.

Key accomplishments over the past 18 months

1. **Reduced time to check plans for low-density housing projects.** Reduced check time for low-density plans **by 80%** (from 12 weeks to 18 days).

2. **Business licences wait times**. Reduced license wait times **by 88%** (from 16 weeks to 2 weeks).

3. **New direct-to-inspections permit.** Created direct-to-inspections permit for simple renovations, reducing processing time **by 88%** (from 8 weeks to 1 week).

4. **ePlan.** Implemented electronic plan submission/review for all permit types **saving applicants $1M/year** in printing costs.

5. **Limited out-of-scope reviews.** Have limited reviews of previous unpermitted work that is outside the scope of current permit applications.

6. **Landscape review**. Arboriculture staff are now embedded in DBL, expediting reviews

Key accomplishments over the past 18 months continued

7. **More transparency.** Current turnaround times for many permit types now posted on vancouver.ca.

8. **Stand alone laneways.** Creating a dedicated laneway stream has reduced plan checking time by 90% (28 weeks to 2 weeks).

9. **Re-instated TIPS.** Renovations of code compliant buildings can receive a permit in 2 weeks compared to 4 or more weeks.

10. **Change of use relaxations.** Simple changes of use are exempted form applying for a Development Permit and Building Permit, saving up to 12 weeks.

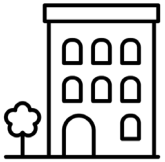
11. **Services Centre.** Moved to appointment system allowing applicants meet directly with staff to expedite resolutions. Digitizing building plans so the public can access them quickly.

Permitting and Licensing Process Improvement

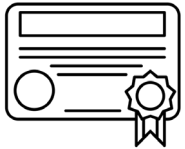
2023 Deliverables

Overview of key initiatives underway

Low-density housing



Large developments



Business licences

Renovations

Customer service

Financial sustainability

Work plan: Low-density housing

Initiative	Outcome	Work for 2023	Council decision?	Timing
1. Adding Missing Middle Housing and Simplifying Regulations	Simplified regulations for low-density zones to speed up housing and enable multiplex buildings.	- Explore options to formalize non-enforcement of design guidelines - Conduct public consultation - Prepare recommendation for Council decision	Yes	Q3 - 2023
2. Tree By-Law review	Simplified requirements for tree protection, removal and replacement, reduced processing times	- Update bylaw - Conduct industry and indigenous engagement - Prepare report for Council Decision	Yes	Q4 - 2023
3. Refine application requirements	Higher quality applications requiring less review time and rework.	- Implement requirement to resolve neighbor tree conflicts prior to application - Address common application issues	No	Q3 – 2023
4. Digital application processing	Applicants can submit plans and have them digitally reviewed in real time. Will reduce errors and staff review time.	- Complete procurement of platform - Introduce first iteration of Laneway digital review service	No	Q3 – 2023 Progress update

Work plan: Large developments

Initiative	Outcome	Work for 2023	Council decision?	Timing
1. Rationalize Development Permit (DP) conditions	Significantly reduced review times and iterations for DPs	- Create standard conditions library - Continuous improvement of DP process, including resolution of conflicting conditions	Likely To simplify conditions, Council may need to enable regulatory changes	Q4 - 2023
2. Optimize legal agreements	Reduced time to finalize legal agreements between the City and applicants.	- Finalize standardization of agreements - Review and amend problematic terms	No	Q4 - 2023

Work plan: Business licences

Initiative	Outcome	Work for 2023	Council decision?	Timing
1. License & Vehicle for Hire By-Law review	Simplified and modernized regulations and licence categories, enabling further digitization.	- Prepare categories for Council decision - Technical development of categories	Yes	Q2 - 2023
2. Digital licence applications	Submission of digital applications will eliminate data entry and enable applicants to track status.	- Launched for Home Based Businesses – mid Feb - Q2 / Q3 for remaining business types	No	Q1 – 2023
3. Expand change of use relaxations	Low risk businesses will not require Development Permits for change of use.	- Identify additional use candidates - Prepare recommendations for Council	Yes	Q4 - 2023

Work plan: Renovations

Initiative	Outcome	Work for 2023	Council decision?	Timing
1. Expand risk-based reviews	Reduced number of review elements to expedite reviews.	- Identify critical items to review - Staff training	No	Q2 - 2023
2. Expand direct-to-inspections permits	Applicants for small scope renovations can receive a permit in one week.	- Identify additional work scopes that qualify - Identify required regulatory changes to enable expansion	Possibly Staff may recommend Council relax some regulations	Q3 - 2023
3. Reestablish the Tenant Improvement Program (TIPS)	Expedited permit processing for current code compliant buildings.	- Industry communication and engagement - Identify ways to expand TIPS building list	No	Q3 - 2023

Work plan: Customer service

Initiative	Outcome	Work for 2023	Council decision?	Timing
1. Development and Building Services Centre customer-centric redesign	Applicant centric Services Center experience.	- Finalize design (both physical & digital) - Develop appointment booking system	No	Q3 - 2023
2. Advance permitting and licensing analytics	Improve insights on permitting performance and allow applicants to forecast expected wait times based on their specific project scope.	- Create insights for Low Density Housing and Business Licensing - Enhance executive and operational management dashboards	No	Q3 - 2023

Proposed 2023 Council updates on work progress

Progress update no. 1
June 2023

1. Targets and desired outcomes for Development Permits (DP)
2. Report on preliminary findings from industry engagement
3. Progress summary
4. Potential policy decisions for Council

Progress update no. 2
September 2023

1. Comprehensive report back on the progress of all work streams with achievements to date
2. Likely policy decisions for Council

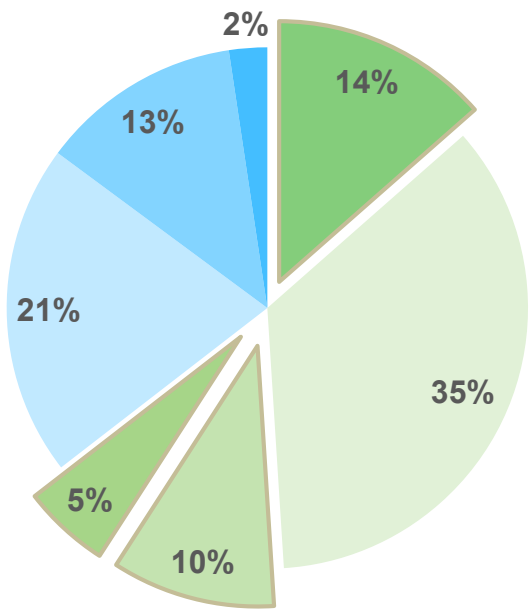
Progress update no. 3
December 2023

1. Tree by-law presentation and report
2. Progress update on improvements, including metrics

Rezoning Process

Overview, Metrics and Trends

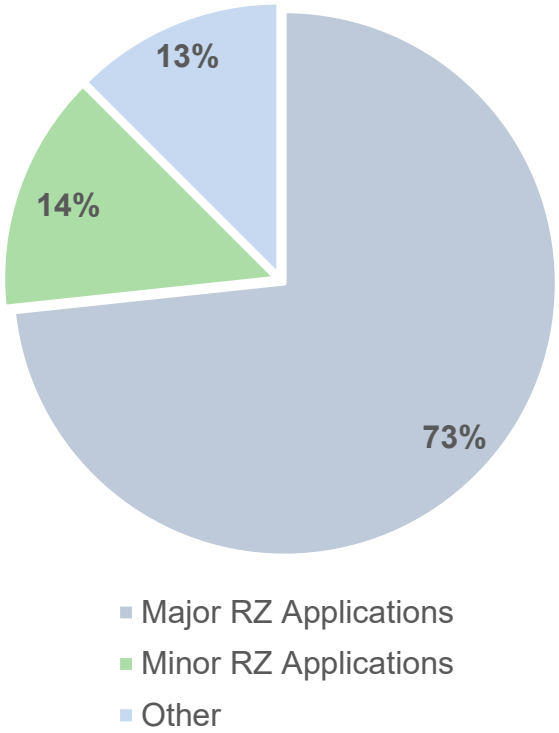
Active rezoning projects by application type



Early Advice
Enquiry Submitted
Enquiry Response Sent
Pre-Application
Application Submitted
Application Reviews Complete
Pre-Public Hearing

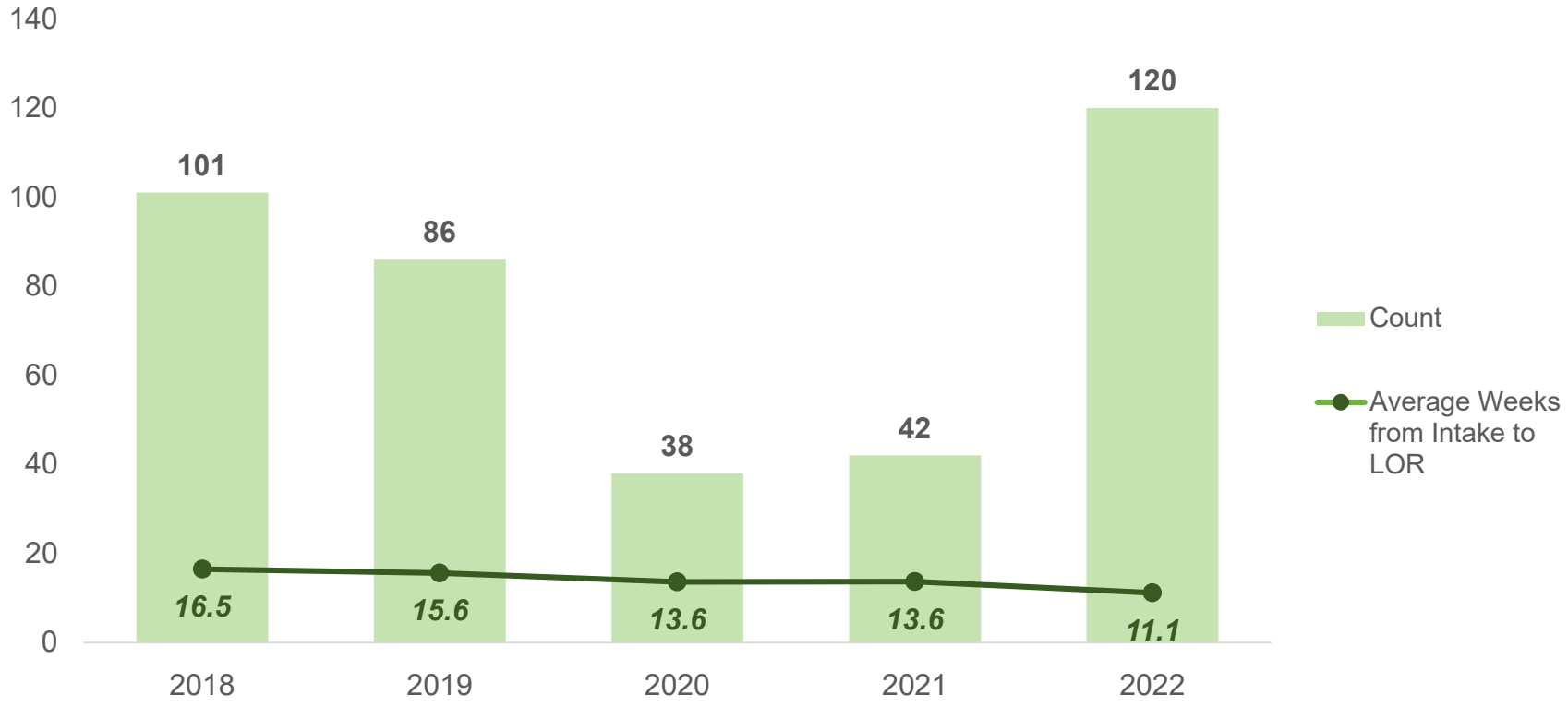
Stage	Count
1. Early Advice	*40*
2. Enquiry Submitted	105
3. Enquiry Response Sent	*30*
4. Pre-Application	*16*
5. Application Submitted	61
6. Application Reviews Complete	37
7. Pre-Public Hearing	7
Fee Paid Total	210
Grand Total	**296**

Active rezoning projects by classification

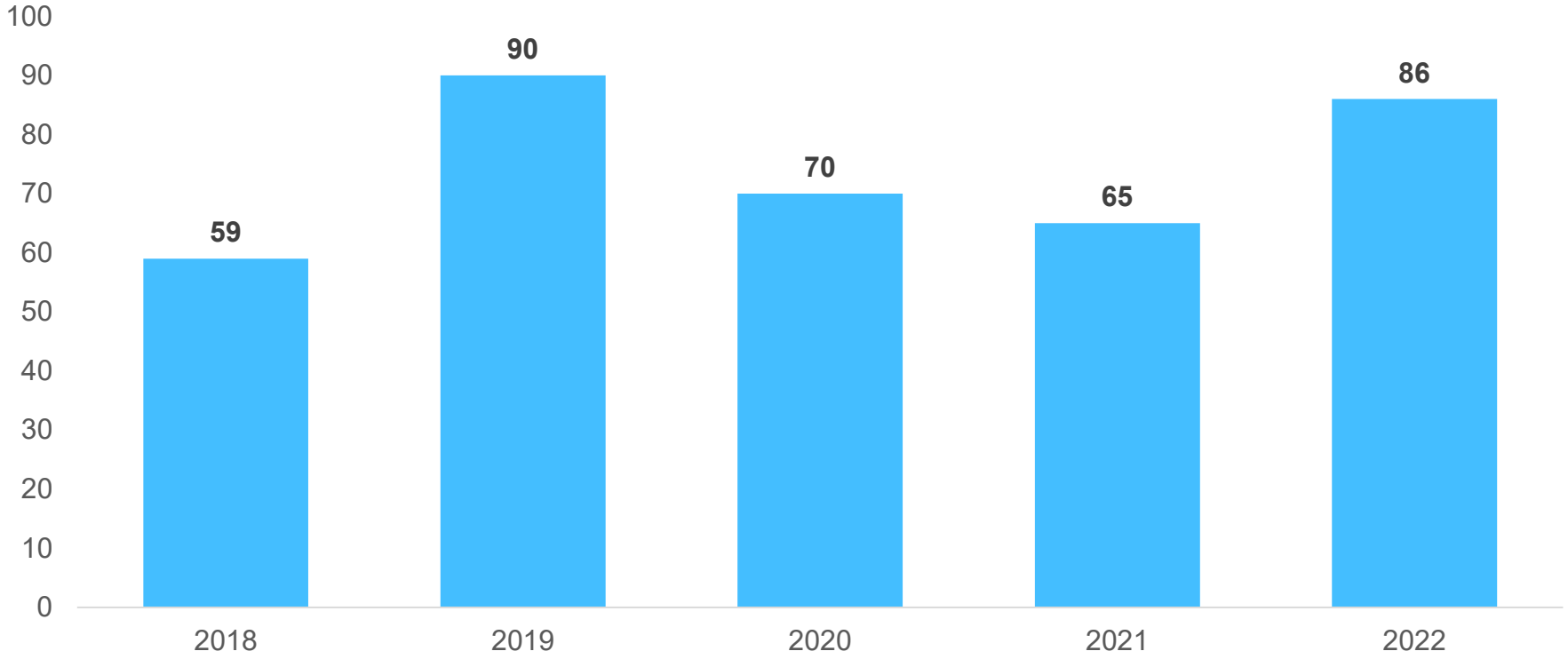


Classification	#
Routine office, industrial, commercial, strata, or rental	116
AHCIRP, MIRHPP, social housing, or on-site public benefit	55
High profile, complex, or unique site	40
Major projects	6
Total Major CD-1 Projects	**217**
SRP Low-density Transition Area	29
Cambie Townhouses	10
Developer-initiated CD-1 TA	3
Total Minor RZ Projects	**42**
City-initiated CD-1 TA	5
City-initiated Z&D change	3
No class identified (Early Advice)	29
Other	**37**
Grand Total	**296**

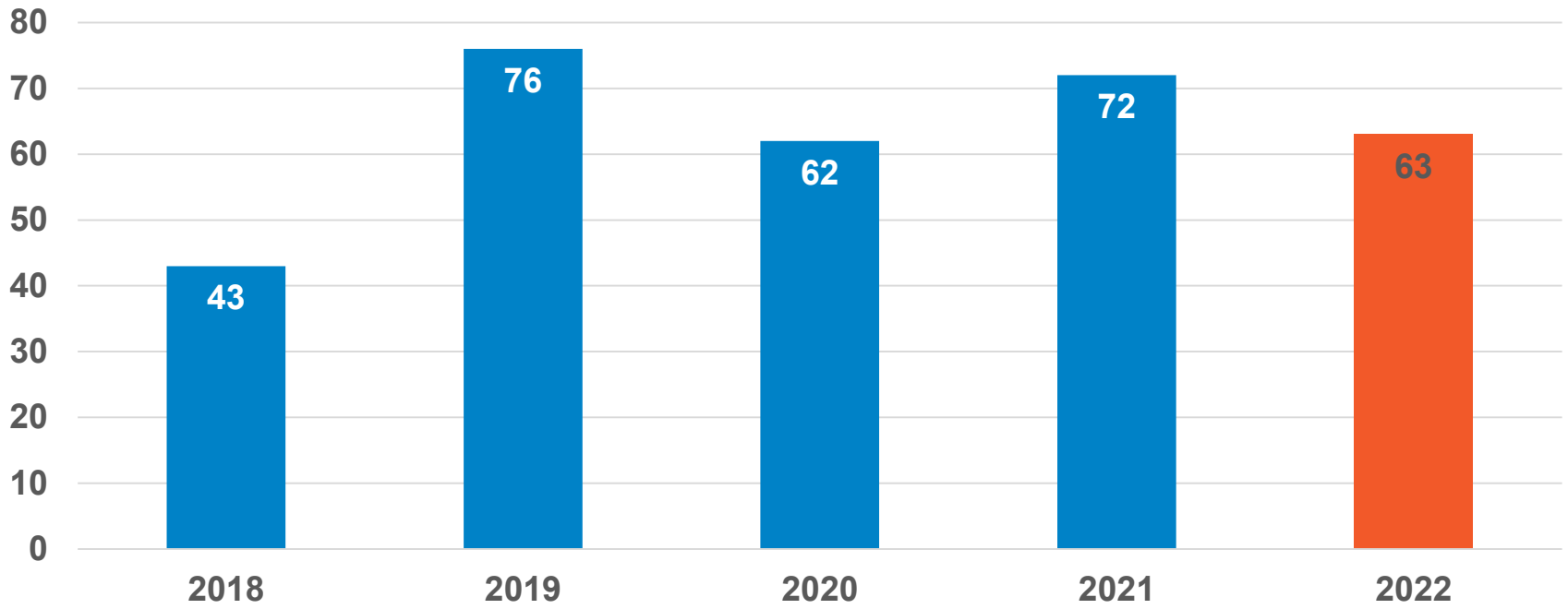
Rezoning enquiries received and processing times since 2018



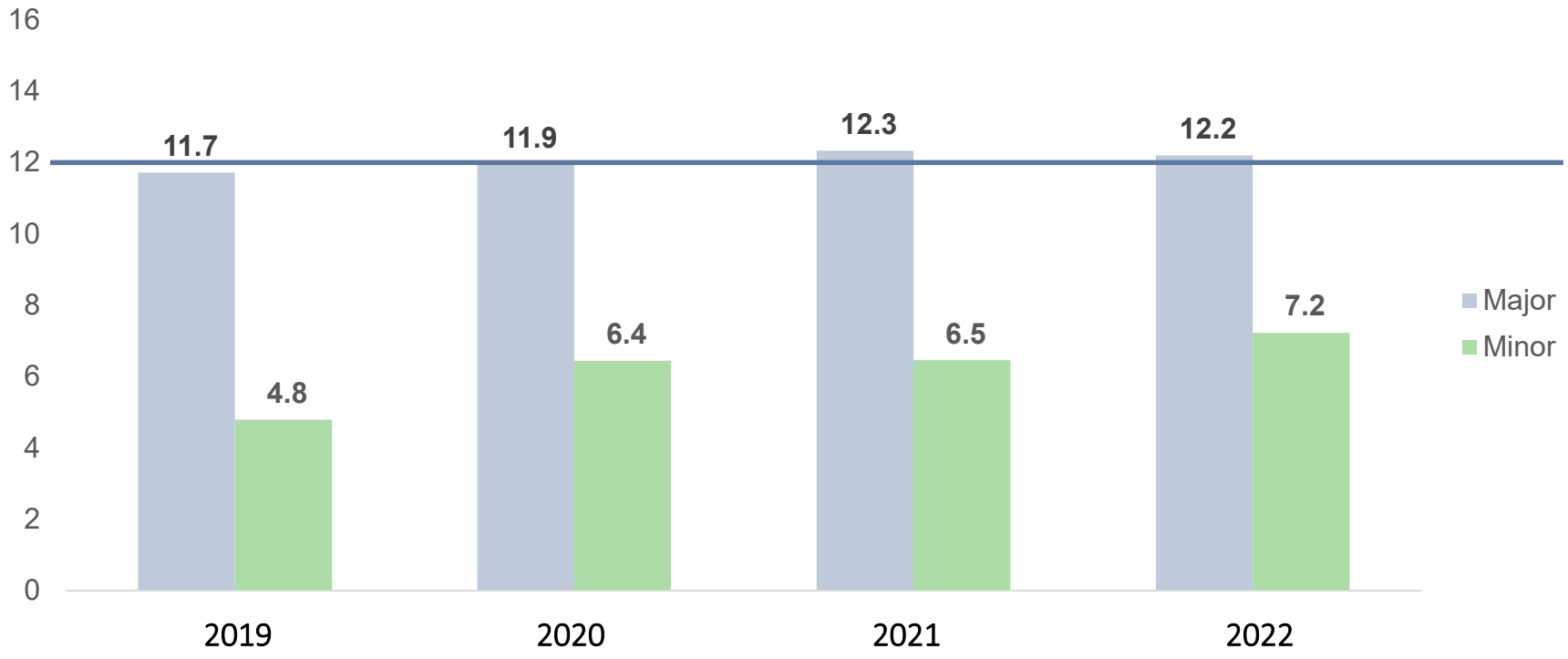
Rezoning Applications Received Annually



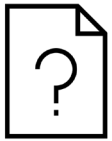
Number of rezoning Applications to Public Hearing



Median Months From Application to Public Hearing

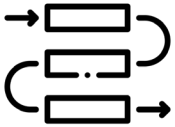


Rezoning – process improvements to date



1. Policy Enquiry Process (PEP)

- Established new process and procedures
- Intake and review of proposals



2. Process mapping: rezoning enquiry, application, public hearing

- Created process graphics and documented procedures
- Streamlined procedures for public hearing

3. Procedures and documentation

- Documented and created shared repository for procedures
- Created templates for documents and materials

4. Tracking and Monitoring

- Improved data and metrics for enquiries and applications
- Website improvements for rezoning info and CD-1 by-laws

Challenges and impacts from extraordinary increase in applications

Challenges – sudden increases in workload

- Extraordinary number enquiries submitted under the Broadway Plan
- Election year limited number of cases moving to Public Hearing
- Economic uncertainty (rising interest rates, inflation, labor/supply shortage) all contribute to market speculation leading to higher workload volumes across the spectrum
    - LoEs and pre- application advice
    - Rezoning applications
    - PEPs and non-compliant Rezoning Applications
    - Large Sites
    - Special Projects/Studies
    - Major Projects/Studies
- Inadequate Staff resources to meet demand

Impacts

1. Slower response time
2. Extenuating processing times
3. Increased frustration by applicants
4. Staff burnout, stress leave and turnover
5. Staff handling too many projects
6. Projects accepted but unassigned

Short-term and long-term strategies to address rezoning backlog

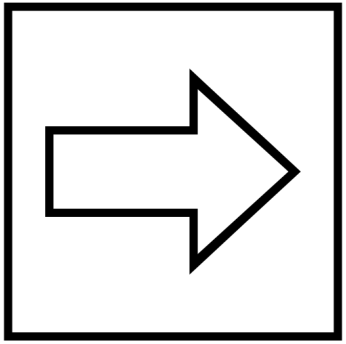
Short Term

- Communications with applicants
- Operational efficiencies
  - Pre-zoning – e.g. Cambie townhouse pre-zoning (April)
  - Shortening *Virtual Open House* time
  - Improved and online accessible *Rezoning Application Form* and *Guide*
- Adjusting the Public Hearing schedule
  - Adding dates and times
  - Increased efficiency of the hearings

Long Term

- Bylaw changes:
  - Fee By-law (increase enquiry fee, resubmission fees)
  - Procedure By-law (addressing dormant applications, resubmissions)
- Charter Changes
- ePlan implementation for rezoning (reduce duplication of materials)

Next steps on rezoning improvements

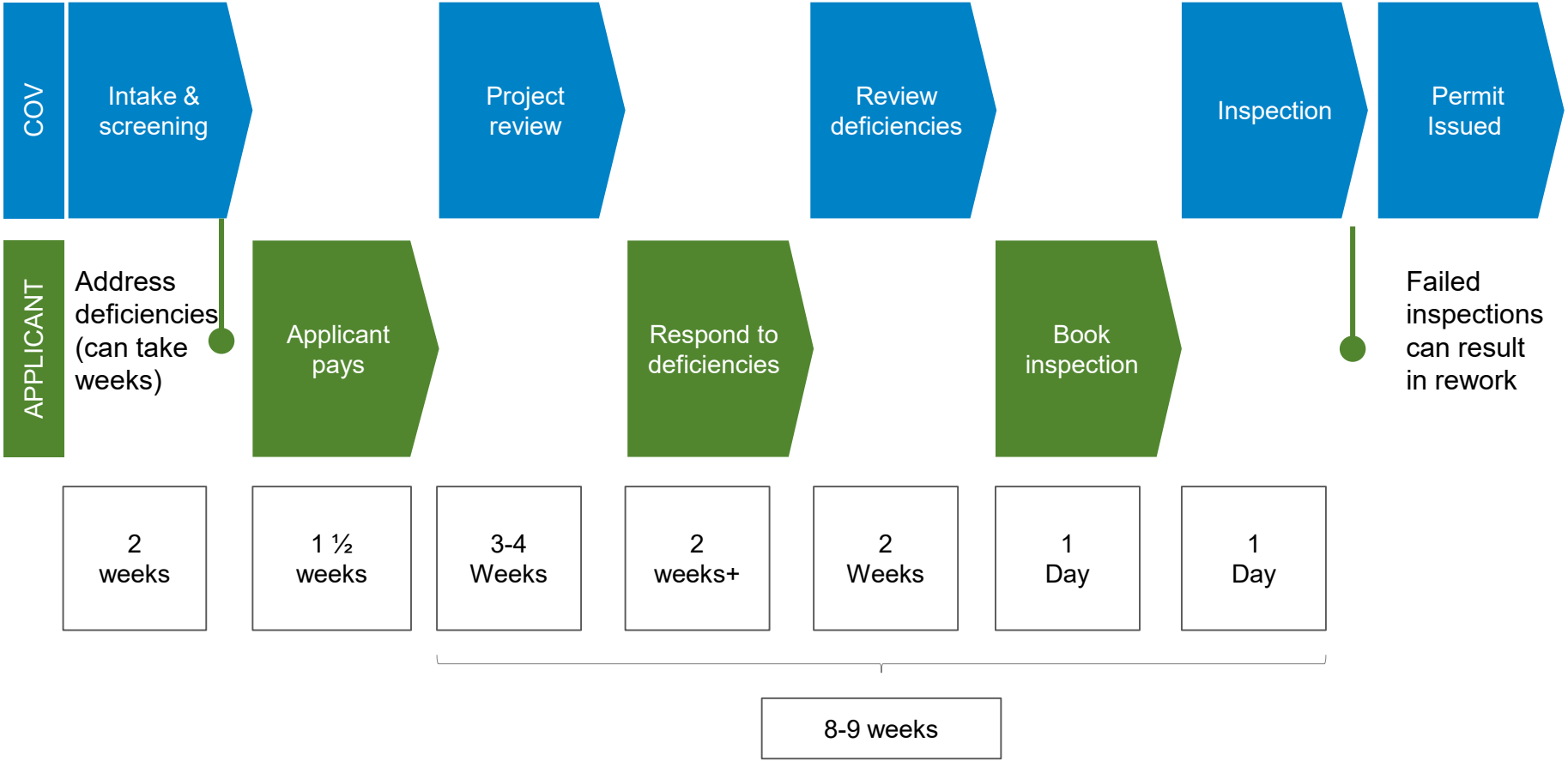


A. Operational and procedural efficiencies

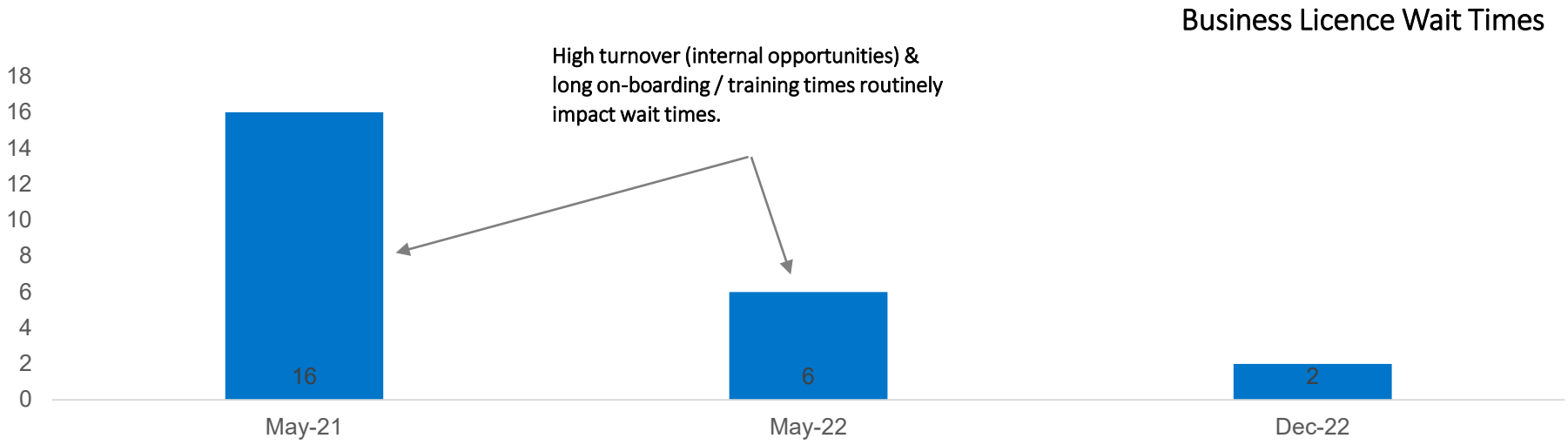
B. Staff will review and provide further updates to Council on:
   1. Prioritization of application types, project types
   2. Resourcing needed to bridge the backlog
   3. Impacts to other departments and divisions – Clerks, Law, Engineering, DBL

End

Permits process for commercial renovation (simplified)

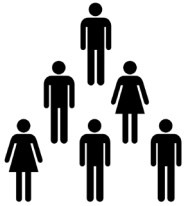


Staff Capacity and Minimum Proficiency Levels Impact Wait Times



- Less than 50% staff capacity
- Less than 50% of staff at minimum proficiency

- 50% - 80% staff capacity
- 50% - 75% of staff at minimum proficiency



- 80%-100% staff capacity
- >75% of staff at minimum proficiency

Business Licence Type (Category): Impact on Performance

% of Application Volume