From:	"Mochrie, Paul" <paul.mochrie@vancouver.ca></paul.mochrie@vancouver.ca>
To:	"Direct to Mayor and Council - DL"
Date:	10/5/2023 6:14:15 PM
Subject:	Memo - Permitting and Licensing Process Improvements
Attachments:	Permitting Improvement Program Council Update_2023-10-05.pdf

Dear Mayor and Council,

Please see the attached memo in regard to Permitting and Licensing Process Improvements.

This memo provides an update on achievements to date and work underway to improve the City's permitting and licensing processes and customer experience. This memo focuses on activities and achievements since the last Council update on this topic in June 2023.

If you have any questions, please don't hesitate to contact me.

Best, Paul

Paul Mochrie (he/him) City Manager City of Vancouver paul.mochrie@vancouver.ca



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^wməθk@yəm (Musqueam), Snwx@vú7mesh (Squamish), and səlilwətał (Tsleil-Waututh)Nations.



MEMORANDUM

October 5, 2023

- TO: Mayor and Council
- CC: Armin Amrolia, Deputy City Manager Karen Levitt, Deputy City Manager Andrea Law, GM, Development, Buildings and Licensing Lon LaClaire, GM, Engineering Services Doug Smith, A/GM, Planning, Urban Design and Sustainability Katrina Leckovic, City Clerk Maria Pontikis, Chief Communications Officer, CEC Teresa Jong, Administration Services Manager, City Manager's Office Mellisa Morphy, Director of Policy, Mayor's Office Trevor Ford, Interim Chief of Staff, Mayor's Office

FROM: Paul Mochrie, City Manager SUBJECT: Permitting and Licensing Process Improvements

RTS #: NA

This memo provides an update on achievements to date and work underway to improve the City's permitting and licensing processes and customer experience. This memo focuses on activities and achievements since the last Council update on this topic in June 2023.

1. 3-3-3-1 permit processing targets

All of the work described in this memo will ultimately advance progress toward Council's June 2023 3-3-3-1 Permit Approval Framework, with the following permit approval time targets:

- **Three days** to approve home renovation permits (including renovations to accommodate mobility and accessibility-related challenges)
- Three weeks to approve single family home and townhouse permits
- **Three months** to approve permits for professionally designed multi-family and midrise projects where existing zoning is already in place



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• One year to approve permits for high rise or large scale projects

The development of a set of metrics to explicitly measure progress against these targets is currently under development. While the targets are clear, the extraction of relevant data from existing information systems and representation of that data to deliver useful insights regarding performance of the City's permitting processes is not straight forward. Staff will report back to Council in December 2023 with an update.

2. Digital application portal, Project Requirements Exploration Tool (PRET)

What is happening?

- On August 31, 2023 the City completed a soft launch of the Project Requirements Exploration Tool (PRET) for laneway houses. PRET is an interactive tool that gives customers the ability to explore and understand all regulations and requirements associated with their project.
- Using this tool, customers are able to explore if a laneway house is allowed on their property, learn what permits are required to build it, identify potential costs, and determine project feasibility—all before submitting their application.
- Staff have conducted a series of workshops with a select group of applicants to gather feedback. The feedback from these workshops was overwhelmingly positive, confirming the new tool will address many of the key issues with the current process.
- Staff will be expanding PRET to other permitting streams beyond laneway houses over the next 8-12 months.
- This two-minute video demonstrates how PRET works from the applicant's perspective.
 - https://www.youtube.com/watch?app=desktop&v=naae6zSUFzw&feature=youtu.
 be

Customer impact

PRET greatly simplifies the application process for applicants, saving them time and money. Critically, as well, it ensures the applicant can easily and efficiently access the information they need in order to submit a complete, high-quality application. The completeness and compliance of permit applications is a primary determining factor of the amount of staff effort and time required to process them through to permit issuance. PRET also automates some components of the permitting process, creating further staff time efficiencies.

PRET is the first step in creating a consistent user experience for all customers. All of the foregoing ultimately translate into faster permit processing times, and an easier, smoother permit application experience.

Relation to 3-3-3-1 Permit Approval Framework Targets

The first phase of PRET applies to laneway houses, and as such will contribute to the advancement of the target of issuing permits for "single family home and townhouse permits in three weeks." As more phases of PRET are implemented, this tool will advance toward other 3-3-3-1 permit stream processing time targets.

3. Digital application portal, eComply

What is happening?

By Q1-2024, the City will be launching the first version of eComply, an automatic planchecking tool that is built on the Archistar platform. eComply will automatically check an applicant's building plans against the City's regulations, and immediately identify where the plans comply, and where they fail to comply with City regulations.

Customer impact

eComply is an important step in automating the City's permitting process. As set out above, incomplete and/or non-compliant applications are a substantial factor in permit processing times. This platform will be a game-changer in ensuring that applicants are submitting a complete applications that are consistent with bylaw requirements. The automation of this work will also enable staff to reallocate time currently spent on compliance reviews.

Relation to 3-3-3-1 Permit Approval Framework Targets

The first phase of eComply applies to laneway houses, and as such will contribute to the advancement of the goal of issuing permits for "single family home and townhouse permits in three weeks." As more phases of eComply are implemented, this tool will advance toward other 3-3-3-1 permit stream processing time targets.

4. Residential and Commercial Renovation Fast Track Permit

What is happening?

- In 2021, the City launched the Residential Renovation Fast Track Permit for simple renovations. This program allows minor residential renovation permits to be issued in less than a week, e.g., simple kitchen or bathrooms alterations, installation of solar panels, removal of non-load bearing walls, and other simple work scopes. Projects qualifying for this program must have a total value of less than \$95,000.
- Renovations are some of the most complex permits the City processes, with the greatest variability in scope and complexity. It has historically taken staff time to understand the scope and complexity of an individual project and route it to the appropriate review groups, which has resulted in simple projects spending substantial time in queues. The Residential Renovation Fast Track Program is predicated on a new robust triage process to identify and route simple renovation projects, so they can be fast-tracked.

• As a next step, in Q2-2024 the City will be launching a parallel Commercial Renovation Fast Track Permit, with processing times anticipated to be similar to the residential program described above.

Customer impact

The Residential Renovation Fast Track Permit stream that is already in place, and the soonto-be-launched Commercial Renovation Fast Track Permit stream will result in applicants receiving their renovation permits for simple work far more quickly than was previously the case.

Relation to 3-3-3-1 Permit Approval Framework Targets

This program advances the City toward the target of "three days to approve home renovation permits." At the time of this memo, the Residential Renovation Fast Track Permit accounts for approximately 20% of all renovation permits issued by the City, and the average processing time for these permits is less than one week. The 20% share of renovation permits processed through this Fast Track stream represents a four-fold increase since 2021. Staff are continuing to expand the program by identifying additional work scopes that qualify.

Processing times for simple and lower-complexity permits are currently the fastest they have been in more than five years for residential applications, and in three years for commercial/mixed use applications.

5. Complex development permit process improvements

What is happening?

- Over the past several months staff have conducted the first-ever comprehensive review of development permit prior-to conditions in recent history, and as a result of this work, to date 700 of the potential 1,063 prior-to conditions associated with development permits (66%) have been eliminated, streamlined or simplified (details are shown in Table 1 below).
- Going forward, staff will continue to identify further development permit prior-to conditions that can be eliminated, simplified or streamlined, and bring these decisions to Council as appropriate.
- Further, staff have designed a dynamic dashboard to replace the static prior-to letter that has historically been used to convey development permit conditions to applicants. This dashboard will allow applicants and staff to track progress and easily identify outstanding or delayed items, thereby increasing accountability and moving applications through the process more quickly.
- The preliminary dashboard has been designed and is currently being pilot-tested. If the pilot is successful, it is anticipated that this dashboard will be implemented in Q3, 2024.

ORIGIN OF CONDITIONS	TOTAL NUMBER OF CONDITIONS AT OUTSET	CONDITIONS ELIMINATED	CONDITIONS SIMPLIFIED	SHIFTED TO RISK-BASED REVIEWS	ORIGINAL CONDITIONS REMAINING	TARGET IMPLEMENT- ATION
Development, Buildings and Licensing	193	69	40	0	84	Implemented Q3-2023
Engineering Services	489	167	35	128	159	Implemented Q3-2023
Childcare	33	24	6	0	3	October 2023
Planning, Urban Design and Sustainability	348	117	111	3	117	Q1-2024
Total	1,063	377	192	131	363	
	100%	35%	18%	12%	34%	

TABLE 1. NUMBER OF POTENTIAL DEVELOPMENT PERMIT PRIOR-TO CONDITIONS ELIMINATED, SIMPLIFIED AND STREAMLINED, Q3-2023 TO Q1-2024

Customer impact

It is anticipated that the elimination, simplification and streamlining of 66% of the potential development permit prior-to conditions will substantially speed up development permit review processes. For example, Engineering Services anticipates a 30% reduction in average time to process development permit applications.

Applicants will also benefit from simplified development permit requirements and increased clarity via explicit referencing of Council-approved policies.

The new dashboard and above-referenced simplifications will also reduce the number of review iterations required prior to issuance of development permits. Staff are targeting a maximum of two review cycles per development permit application (currently can range up to five iterations).

Relation to 3-3-3-1 Permit Approval Framework Targets

Development permits are issued for complex developments, which means that the changes and improvements described in this section will advance the City toward Council's targets of "three months to approve permits for professionally designed multi-family and mid-rise projects where existing zoning is already in place," and "one year to approve permits for high rise or large scale projects."

6. Land use policy simplification and rationalization

What is happening?

- On September 14, 2023, Council took the first step towards simplifying the City's land use and building policy framework by amending the Zoning and Development Bylaw and repealing ten land use policies, in order to enable the development of the missing middle housing policy.
- On November 1st, 2023, staff will bring a report forward recommending the repeal of an additional 72 land use policies and guidelines. From the initial total of 287 policies and guidelines, adoption of this recommendation combined with the approved missing middle policy would represent a 29% reduction.
- While these policies and guidelines will reduce complexity, they represent quick wins in an ongoing process. Staff are reviewing more significant and impactful policies for simplification or repeal and will bring additional recommendations to Council for consideration as appropriate.

Customer impact

Reducing/rationalizing the number of land use policies and guidelines will directly reduce the complexity of projects subject to rezoning and development permit requirements, thereby reducing associated time and cost for applicants.

Further, this rationalization of policies and guidelines is a critical foundational step in expanding the application of digital permitting services. Digitization of the permitting process depends on conversion of applicable policies into rules that can be subject to automated adjudication.

Applicants and development industry stakeholders have consistently cited the complexity of the City's regulatory framework as a primary challenge to project delivery in Vancouver.

Relation to 3-3-3-1 Permit Approval Framework Targets

If endorsed by Council, the repeal of up to 82 policies and guidelines that are associated with development permits and rezoning applications will advance the City toward Council's targets of "three weeks to approve single family home and townhouse permits," "three months to approve permits for professionally designed multi-family and mid-rise projects where existing zoning is already in place," and "one year to approve permits for high rise or large scale projects."

7. Business Licensing Improvements

What is happening?

• In June 2023, staff launched a digital business licence application portal which will replace the legacy system that involved applicants submitting a completed pdf form and staff manually entering the applicant's information into the City's business licence

system. The launch started with the new home-based business licence category and has since been expanded to all new commercial and out-of-town business licence applications. At the time of the memo, over 90% of all licence categories are fully enabled online through this self-serve platform.

- In addition to providing enhanced customer service, digital applications will provide staff with better data and insights to track and report on wait times and allocate resources more effectively. This has also eliminated duplicate data entry, saving staff an estimated 580 hours per year so they can process more applications in the queue.
- This is the first step towards a client portal where businesses can access real time information on their application, pay and access their licence online and update or close their account.
- On May 10, 2023, Council approved a proposal to streamline the City's business licensing categories from 570 to 88 categories. Staff are currently working on the technical changes required to launch the new categories in April 2024.

Customer impact

The digital business licence application portal provides customers with the ability to submit, pay, track progress and interact with staff online, greatly increasing both the efficiency and transparency of the application process.

Relation to 3-3-3-1 Permit Approval Framework Targets

As the 3-3-3-1 Permit Approval Framework does not reference business licences. As such, while the digital business licence application portal increases efficiencies and transparency and enhances the customer experience, it does not impact the 3-3-3-1 targets.

If council requires further information, please feel free to contact me directly at <u>paul.mochrie@vancouver.ca</u>

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APPENDIX A DEVELOPMENT PERMIT CONDITIONS IMPROVEMENT PROJECT

This appendix provides further detail regarding work to eliminate, simplify and/or streamline development permit conditions.

Engineering Services conditions

- Elimination of conditions. In June, staff reported that Engineering Services had identified 489 conditions that could potentially be applied to a development permit, depending on the specifics of an application, and that 89 (18%) would be eliminated.
 - Since June, the project team has identified an additional 78 conditions that will be eliminated, bring the total number of conditions eliminated to 35% of the current total.
 - As an example, development permit conditions related to parking space orientation and dimensions, as well as column encroachments, will be eliminated.
- **Risk-based reviews.** Staff will no longer review details where there is a high degree of compliance, or where reliance and accountability can be shifted to industry, such as with the Parking By-law.
 - This means fewer staff resources will be dedicated to reviewing detailed operational elements within parking structures, such as the provision of security gates for separating parking areas and the allowance for turnaround areas at the end of parking aisles.
- **Customer impact.** The above changes were implemented on October 3, 2023, and applications received after this will be part of the streamlined process.
 - The above changes, combined with process improvements, are anticipated to reduce Engineering Services' review times by 30%.
 - From the customers' vantage point, applications will entail fewer conditions, there will be fewer review iterations between the City and the applicant, and ultimately, reviews will be completed substantially more quickly.

Development, Buildings and Licensing (DBL) conditions

- Elimination/simplification of conditions. Of the 193 potential development permit conditions associated with the GM, DBL, 109 have been eliminated or simplified (56%), as of August 2023.
 - As an example, staff will no longer include prescriptive instructions on the location of roof-top mechanical units and screening details, or require details and specifications of crawlspace backfill material.

Planning, Urban Design and Sustainability (PDS) conditions

- Elimination/simplification of conditions. Of the 348 development permit conditions associated with the GM, PDS, 117 are candidates for elimination (35%), and 111 for simplification (32%). These changes will be implemented in Q1-2024, and will result in reduced complexity and faster review times.
- PDS reviews span five separate review groups (heritage, sustainability, landscape, housing and urban design), noting not all review groups are applicable to every permit. The following are examples of elimination and simplification of conditions among these groups.
 - Landscape reviews. Landscape conditions can present challenges at the development permit stage, as detailed designs are not yet finalized. To address this timing mismatch, some landscape conditions will be shifted to become building permit conditions.
 - Urban design elements. The City will no longer be applying exterior material and design expression conditions to most projects, and going forward will leave these decisions to the applicant.
 - **Housing conditions.** A set of conditions that require applicants to build/provide below-market housing are currently in the midst of being simplified and updated.
 - **Sustainability requirements and reviews.** Going forward, the City will eliminate the requirement for energy and emissions design reports associated with a development permit, and rather will rely on compliance-checking at the building permit stage.

Arts Culture and Community Services (ACCS)

- The GM, ACCS will be bringing a report to Council in November 2023 that will provide an update on childcare-related development permit conditions, harmonization of the City's and the Province's childcare facility design regulations, and the City's childcare strategy.
 - The approach currently being designed will involve moving detailed design requirements and facility layouts to the building permit stage, which will allow applicants to provide these details at a more appropriate time in their own planning processes. Practically, this means that detailed room layouts will no longer be included as a development permit condition.
 - To date, staff have identified 24 of the 33 typical childcare development permit conditions that can be eliminated, with 6 of the remaining 9 to be simplified. Details will be brought to Council in November 2023. As these changes are operational decisions that can be made by staff, they will be implemented in October 2023.
 - Once the Province of BC implements their updated childcare design guidelines, staff will be bringing recommendations to Council regarding harmonization between provincial and City regulations.