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To: ["Direct to Mayor and Council -](#)

Date: 2/10/2025 6:12:13 PM

Subject: 3-3-3-1 permitting program update

Attachments: [2025-02 Council Memo - 3331 Program Update.pdf](#)

Good afternoon Mayor and Council,

The attached memo provides an update on the status and outcomes of our work to streamline and expedite approvals for development and building activity, reported within the framework of the 3-3-3-1 targets as approved by Council.

The transformation of the City's permitting processes remains a foremost priority for the City Leadership Team and the results to date as summarized in the memo reflect a concerted, ongoing effort by teams across many parts of our organization.

If you have any questions regarding this matter, please do not hesitate to reach out to me or Karen Levitt and we can engage other members of the team as appropriate.

Best,

Paul

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(Musqueam), S wxwú7mesh (Squamish), and s lilw ta (Tsleil-Waututh) Nations.

MEMORANDUM

February 10, 2025

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Sandra Singh, Deputy City Manager
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, Chief of Staff, Mayor's Office
Corrie Okell, General Manager, Development, Buildings & Licensing
Josh White, General Manager, Planning, Urban Design and Sustainability
Lon LaClaire, General Manager, Engineering Services

FROM: Paul Mochrie, City Manager

SUBJECT: Permitting Improvement Program Update

RTS #: N/A

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 July 2024.

A. 3-3-3-1 PERMIT APPLICATION PROCESSING TARGETS

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:

Target A – Home renovations. Three days to approve home renovation permits (including renovations to accommodate mobility and accessibility-related challenges)

Target B – Detached homes. Three weeks to approve detached homes

Target C – Multi-family and mid-rise projects. Three months to approve permits for professionally designed multi-family and mid-rise projects where existing zoning is already in place

Target D – Highrise and largescale projects. One year to approve permits for high rise and large-scale projects

Appendix 1 of this memo lays out what specific development types are included in each of the target categories. It is noted that in measuring progress against the 3-3-3-1 targets, for Targets A and B, subsets of “simple application” permits are used – comprised of those applications that require relatively straightforward reviews. For Targets C and D, all permit applications currently require more involved reviews, and thus there is no simple permit subset for these. It is intended that as work to improve permitting advances, more permit applications will fall into the “simple application” category.

B. APPLICANT FEEDBACK

Recent feedback from applicants concerning the work the City has done to improve permitting has been extremely positive, and permit processing time trends are showing a downward trajectory. Below is a sample of the feedback the City has recently received concerning permitting improvements.

“I wanted to take a moment to express my gratitude. During a recent pre-production meeting, I was pleasantly surprised by the significant improvement in turnaround time for our permit submission from the city. I know this improvement is the result of significant effort from multiple individuals along with the city's staff. I felt it was important to provide this feedback and extend my gratitude to everyone involved.

– Jake Fry, Smallworks

“...My family and I left Vancouver in 2015 due to the challenges we encountered in acquiring land and navigating the permitting process. At that time, the system was slow, opaque, and burdensome, which created real barriers to growth and development. However, when you and your team came into power, you promised change, and it's clear to us that you have delivered on that promise.

In 2023, we made the decision to return to Vancouver, and we have been truly impressed with the tangible progress your team has made. The permitting process is now far more efficient and transparent, with faster timelines, pro active approach to development, and clearer communication. It is evident that the work your team has done is not only making it easier to develop and invest in the city, but it is also helping Vancouver move toward a more balanced and sustainable housing market.”

– Steve Di Fruscia, Dura

“I just wanted thank you both for coming to the FSABC [Fire Sprinkler Association of British Columbia] meeting yesterday, talking with the contractors afterwards it made a hugely positive impression and there's finally some excitement around Vancouver permits. We'd be happy to have you both, or anyone else from City of Vancouver, at future meetings.”

– Scott Rattray, Introba

C. 2024 PERMITTING TRENDS

Target A: Home renovations (target = 3 days)

Residential Renovation Fast Track

- In 2024 (January to November), a total of 42% of home renovation permits were issued through the Residential Renovation Fast Track stream, with 56% of these processed within 3 days, from application completeness check to permit issuance (this figure excludes applicant response processing time).

All home renovations

- In 2024 (January to November), home renovation permits were issued 57% faster, compared to the same period in 2022.
- Over this time period, median time from application submission to issuance decreased from 51 days to 22 days.
- The above references all home renovation permit applications, including Residential Renovation Fast Track permits.

Target B: Detached homes (target = 3 weeks)

All detached homes

- In 2024 (January to November), detached home permits were issued 38% faster, compared to the same period in 2022.
- Over this time period, median processing time has decreased from 34 weeks to 21 weeks (these figures include both City and applicant processing time).
- The above references both simple and complex permit applications, which are all combined development/building permits.

Standalone laneway homes

- In 2024 (January to November), permits for standalone laneway homes were issued 55% faster, compared to the same period in 2022.
- Over this time period, median processing time from application submission to issuance has decreased from 32 weeks to 13 weeks (these figures include both City and applicant processing time).
- The above references applications that are for standalone laneway homes only, e.g., not applications for a main house and a laneway house combined. All standalone laneway home permits are combined development/building permits.

Target C: Multi-family and mid-rise projects (target = 3 months)

Multi-family and mid-rise projects

- In 2024 (January to November), permits for multi-family and mid-rise developments were issued 22% faster, compared to the same period in 2023.
- Over this time period, median processing time decreased from 18.9 months to 14.7 months (these figures include development permit processing time only, and exclude rezoning and building permit application processing times).
- The above references all multi-family and mid-rise permit applications (including multiplex developments), noting at this time there is no “simple application” subset of this group.

Multiplex development subset

- In 2024 (January to November), 27% of the permits issued within Target C were for multiplex developments.
- For this subset of Target C applications, median processing time was 7.5 months. (figure includes City processing time only, and excludes applicant processing times).

Target D: Highrise and largescale projects (target = one year)

- In 2024, the median negotiation time for Community Amenity Contribution (CAC) agreements were 25% lower, as compared to 2022.
- In 2024 the median negotiating time was 6.0 months, as compared to 8.1 months in 2022.
- The above references all highrise and largescale permit applications, noting at this time there is no “simple application” subset of this group.

D. KEY ACHIEVEMENTS OVER THE PAST SIX MONTHS

Target A: Home renovations

- *Higher trigger for required upgrades.* Over the past twelve months, the City increased the construction value that triggers required upgrades from \$95,000 to \$250,000.
 - This change was made for energy efficiency upgrades, sprinkler upgrades, sewer connection upgrades, and water metering/connection upgrades.
 - This higher trigger threshold means that applicants with smaller projects will avoid the potentially substantial costs of these upgrades, and also that the permit processing times for these projects will be shorter, as fewer review groups are involved.

- An annual inflationary adjustment to upgrade triggers is now in place. For 2025, the trigger will be increased to \$255,000, and will increase annually according to an inflation index each year thereafter.

Target B: Detached homes

- *Faster Engineering Services reviews.* In Q3-2024, new service level agreements were established for building permit reviews undertaken by the Engineering Services department, that articulate maximum time to be taken on each review.
 - Engineering Services currently processes approximately 900 detached home building permits per year.
 - Initial data associated with the first 600 permits applications reviewed with these new standards in place indicate a 60% reduction in Engineering Services' review times.
 - This approach using standard time-bound review targets will be replicated in permit application review groups across other City departments.

Target C: Multi-family and mid-rise projects

- *Better data.* Starting in November 2024, and as a result of a number of system changes, the City now has in place robust data and data analysis systems that can be use to identify and resolve permitting delays in real time. This is a substantial improvement over the data available and data analysis systems in place to date to inform management decisions and troubleshooting.
 - It is estimated this will reduce overall permitting times for multi-family and mid-rise development applications 10% in 2025.

Target D: Highrise and largescale projects

- *Streamlined Form of Development approvals.* The Form of Development approvals have been delegated from City Council to the Director of Planning, and as a result, the City will now be able to issue development permits at least two weeks more quickly.

E. ANTICIPATED ACHIEVEMENTS OVER THE NEXT SIX MONTHS

Target A: Home renovations

- *Streamlined storage space renovations.* Staff will be seeking Council approval to amend the Zoning and Development Bylaw to allow storage spaces in multi-unit residential units to be renovated without requiring the applicant to seek approval from the Board of Variance (noting this work will still require a building permit).
 - If approved, this change will make more permits eligible for processing in three days, and allow the reassignment of two full-time employees to other permit-processing tasks. [Target implementation Q1-2025]

Target B: Detached homes

- *Consolidated application deficiency communications.* The creation of a single deficiency letter and consolidating communication channels for each building permit will mean that applicants will no longer be required to navigate multiple City departments to address application deficiencies.
 - The City issues a “deficiency letter” to a building permit applicant that outlines all aspects of their application that is not yet complete/needs correcting, and must be addressed before the City can process the application.
 - Historical practice has been that an applicant receives a deficiency letter from each review group involved, which means that in the course of addressing these deficiencies, often the applicant is managing several communication channels concurrently.
 - This change will result in a better, more efficient applicant experience, and will also improve the quality of the City’s application tracking data. [Target implementation Q2-2025]
- *Consolidated permits for building demolitions.* The currently sequential (a) salvage and abatement and (b) demolition permits are to be combined into a single permit.
 - A demolition permit is required to take down a building, and a salvage and abatement permit is required to ensure that all demolition activities are undertaken in a safe, responsible and sustainable manner, and that non-hazardous building materials are be recycled or salvaged for reuse, when this option is available.
 - Consolidating these two permits will improve the customer experience by streamlining the application process. [Target implementation Q3-2025]
- *Simplifying height calculations.* Later in 2025 staff will bring forward a referral report to Council recommending changes to height calculations in Vancouver’s R1-1 zones. This change will allow the City to digitize and automate height calculations. [Target implementation Q3-2025]
 - It is estimated that these changes will save approximately 45 minutes of staff time per application across 800 applications, equating to 600 person-hours per year.

Target C: Multi-family and mid-rise projects

- *Streamlined multiplex permitting.* Staff are creating a new purpose-specific permitting stream for multiplex applications, combining development permits and building permits into a single permit application. [Target implementation Q1-2025]
 - It is anticipated that this new permit stream will reduce end-to-end multiplex permit application processing times by up to 50%.
 - This change will be phased in, with approximately one third of multiplex applications eligible for this permit stream at the outset, and more applications eligible over time.

- *Permit application online portal.* The Permit Requirements Exploration Tool (PRET) will soon be launched for multiplex permit applicants. [Target implementation Q2-2025]
 - PRET is a user-friendly online tool that allows applicants to understand their submission requirements, apply for their permit online, and communicate with City staff concerning their application through the portal.
 - In addition to a significantly improved applicant experience, it is anticipated that PRET will improve the quality of permit applications, which ultimately means fewer review cycles and back-and-forth communications between the City and the applicant, resulting in significantly faster application processing times, and less staff time spent on each permit application review.

Target D: Highrise and largescale projects

- *Enabling pre-zoning.* The implementation of the recent changes to the Vancouver Charter that are the result of new provincial regulations will allow for more pre-zoning, in most cases eliminating the need for rezonings where they are currently required. [Implementation will take 24-36 months, with work initiating in the first half of 2025]
 - Currently, a rezoning application is required when (a) a new zoning district is created to allow for certain uses and forms of development on specific sites (termed a CD-1 district), (b) a site's or an area's zoning is changed from one district to another, or (c) a minor change is made to an existing zoning regulation.
 - In 2023, the Province announced several pieces of legislation concerning land development aimed at building more homes faster, shaping growth around transit hubs, and reducing permit processing times. These changes will allow the City to move to pre-zoning, meaning the proactive establishment of wholesale zoning rules for certain areas. This will allow applicants to apply for development permits directly, without needing to go through an individual rezoning process.
 - Because many of the City's policy requirements are currently secured through rezoning requirements, the move to pre-zoning will mean that in the future, these requirements will have to be secured via development permits.
 - The elimination of rezoning application will result in more complex development permit application processes, but at the same time, result in reduced end-to-end application processes.

F. BUSINESS LICENSING IMPROVEMENTS

In June 2023, staff launched a digital business license application portal which has replaced the legacy system of pdf application forms and manual information processing. This new system has empowered customers to submit, pay, track progress, and interact with staff online – greatly increasing both the efficiency and transparency of the application process.

This change has resulted in very substantial improvements to both the customer experience and the overall efficiency of the City's business licensing system. Key achievements include:

1. *Much faster application processing.* 86% of license renewals are now processed online, and median processing times have decreased by 90%.
2. *Simplified regulatory framework.* Reduced the number of business license categories from nearly 600 to under 100, resulting in a more simplified review process.
3. *More business licenses.* Increased the number of issued licenses by nearly 10%.
4. *A better applicant experience.* Achieved an 80% customer satisfaction rate in a survey of recent business license applicants.

G. NEXT STEPS

With the 3-3-3-1 permitting targets as an organising framework, over the past two years staff have made some substantial progress in responding to Council's direction to improve land use permitting.

Improving and in places transforming the City's land use permitting application process is complex, difficult work – the issues to be addressed have multiple root causes, and there are many interdependencies and connections among various elements of the overall system.

In many cases, substantial foundational work must be done before the public sees any change to service levels. For example, building digital systems, digitizing regulations, improving datasets, reviewing and amending policies and regulations, training staff, and shifting workplace culture. As laid out in this memo, with some of this foundational work now completed for 3-3-3-1 Targets A and B (home renovations and detached homes), we are now seeing substantial permit processing time reductions, and work will continue to further reduce processing times for these permit streams.

Foundational work underlying progress against Targets C and D (multi-family/mid-rise developments and highrise/largescale developments) is now well underway. As these permit streams are more complex, so too is the required work to speed up/simplify them. This work is well underway, and staff will report back to Council mid-2025 with another progress update.

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City Manager

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APPENDIX 1
DEVELOPMENT TYPES INCLUDED IN EACH OF THE
3-3-3-1 PERMIT APPLICATION PROCESSING TARGETS

Target A – Home renovations

- Definition: Includes all home renovation permit applications, as well as new accessory buildings
- Housing Types: All housing types
- Application types included in performance tracking against 3-3-3-1 targets: “Simple applications,” defined as home renovation permits that meet the criteria for the Residential Renovation Fast Track Stream

Target B - Detached homes

- Definition: Includes new buildings below three storeys, with a maximum of two principal dwelling units
- Housing Types: Duplex, Infill, Infill Duplex, Infill Single Detached House, Infill Two Family Dwelling, Single House Detached, Laneway House, Lock OP Unit, Secondary Suite, Principal Dwelling Unit with Lock-Off Unit, Single Detached House with Secondary Suite
- Application types included in performance tracking against 3-3-3-1 targets: Standalone laneway houses, noting that other forms of detached houses will be added on the near horizon

Target C. Multi-family and mid-rise projects

- Definition: Includes new buildings between 3 and 12 storeys, up to 485,000 sq ft floor area or 2 acres site area, with three or more principal dwelling units
- Housing Types: Triplex, Multiplex, Rooming house, Freehold Rowhouse, Town house, Apartment, Short-Term Modular Housing, Infill Multiple Dwelling, Multiple Dwelling, Mixed Use Residential Building (previously called Dwelling Unit with Other Use), Dwelling Unit, Residential Unit Associated with an Artist Studio, Seniors Supportive/ Assisted Housing, Micro Dwelling
- Application types included in performance tracking against 3-3-3-1 targets: All application types

Target D. Highrise and largescale projects

- Definition: Includes new buildings above twelve storeys, or larger than 485,000 sq ft floor area
- Housing Types: Roaming House, Freehold Rowhouse, Townhouse, Apartment, Multiple Dwelling, Mixed-Use Residential Building (previously called Dwelling Unit with Other Use), Dwelling Unit, Residential Unit Associated with an Artist Studio, Senior Supportive/ Assisted Housing
- Application types included in performance tracking against 3-3-3-1 targets: All application types