

# Staff Report for Decision

DATE OF MEETING MARCH 20, 2024

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**SUBJECT 2024 LOCAL GOVERNMENT DEVELOPMENT APPROVALS PROGRAM**

## **OVERVIEW**

### **Purpose of Report**

To obtain a Council endorsement for a grant application recently submitted to the Local Government Development Approvals Program.

### **Recommendation**

That the Finance and Audit Committee recommend that Council support Staff's submission of the grant application to the Local Government Development Approvals Program for the Development Approvals Business Analysis and Process Improvements project, and direct Staff to provide overall grant management.

## **BACKGROUND**

Following the initial 2021 Local Government Development Approvals Program grant, the Ministry of Municipal Affairs has provided an additional \$10 million in funding for another round of grant funding in 2024 to be administered by UBCM. Extensive local government and stakeholder engagement produced a comprehensive list of informed ideas for streamlining and speeding up the development approvals process, outlined in the Development Approvals Process Report (DAPR). The Local Government Development Approvals Program provides support to local governments to address the findings and adopt the recommendations in the DAPR Report. The intent of this program is to support the implementation of established best practices and to test innovative approaches to improve development approvals processes while meeting local government planning and policy objectives.

Municipalities may submit one Local Government Development Approvals Program grant application for 100% funding of eligible project costs up to \$150,000. Eligible projects must be completed within one year of grant approval. Staff have already submitted a grant application for the 2024-MAR-08 deadline, however UBCM requires Council's endorsement of the application.

## **DISCUSSION**

Nanaimo continues to see strong and sustained development activity as reflected in a 10.3% growth rate in the 2016-2021 census. The pace of development and demand for housing in Nanaimo are expected to remain strong for the foreseeable future and ongoing process improvements are needed to ensure approvals processes are effective and efficient in the face of internal and external resource limitations and changing development context and demands.

The City of Nanaimo is in the process of replacing its legacy development approvals software platform with the Clariti software solution, which is a cloud-based application portal and approval processing system. This work, which is being completed in phases to address resource constraints and limit impacts on the daily business of development approvals, was partially funded through the initial Local Government Development Approvals Program grant.

Internal development approval processes have evolved over time as approval information requirements have evolved and the complexity of applications has increased. In the interest of continuous improvement and in parallel with implementation of the Clariti software solution, Staff is undertaking a granular review of the City's internal development approval processes to identify opportunities for improved transparency, consistency, effectiveness and efficiency. This project involves detailed process mapping and business analysis to identify opportunities to optimize process effectiveness and efficiency. The project also includes a focus on organizational change management to support the rollout of changes and limit the impact of changes on the ongoing business of development approval. The business analysis and organizational change management for this project is supported by existing staff resources, primarily in the Information Technology Department and the Planning & Development Division.

The focus of the project for 2024 is on business analysis and improvements to approval processes related to large-scale, complex developments. Staff have identified an opportunity, through the Local Government Development Approvals Program grant, to engage a consultant business analyst and change management specialist to expedite the project and expand the project scope to support more efficient approval of additional small-scale multi-unit housing, which is anticipated through implementation of Bill 44 – Housing Statutes (Residential Development) Amendment Act, 2023.

A Local Government Development Approvals Program grant application was submitted ahead of the 2024-MAR-08 deadline under the project title Development Approvals Business Analysis and Process Improvements for a consultant business analyst and change management specialist to support internal staff in reviewing approval business processes. It is proposed that the consultant will:

1. Perform business analysis, ensuring business requirements are defined, prioritized and communicated;
2. Make recommendations regarding development, implementation, alterations or refinement of business processes;
3. Perform business process mapping, identifying opportunities for process improvement and implementation of best or best-fit practices; and,
4. Develop expert understanding of the business unit's processes, and act as the client liaison between the business unit and the technology staff, ensuring alignment between the teams for the system development.

Should the grant application be successful, the addition of a consultant is expected to accelerate the development approval process business analysis and implementation of process changes by 20%. It is anticipated that this would see all approval processes analyzed in detail and identified improvements to process effectiveness and efficiency implemented for use in April 2025. Currently, without the grant funding, this work is scheduled to be completed by the end of 2025.

## **OPTIONS**

1. That the Finance and Audit Committee recommend that Council support Staff's submission of the grant application to the Local Government Development Approvals Program for the Development Approvals Business Analysis and Process Improvements project, and direct Staff to provide overall grant management.
  - Advantages: Accelerated business analysis and improvements to the effectiveness and efficiency of development approval processes.
  - Disadvantages: Limited additional staff time required to manage the grant and consultant.
  - Financial Implications: If the grant application is successful the 2024-2028 Financial Plan will be amended to add the Development Approvals Business Analysis and Process Improvements project, funded from the grant.
2. That the Finance and Audit Committee recommend that Council not endorse a grant application to the Local Government Development Approvals Program for the Development Approvals Business Analysis and Process Improvements project, and direct Staff to withdraw the application.
  - Advantages: No additional staff time required to manage the grant and consultant.
  - Disadvantages: Business analysis and improvements to the effectiveness and efficiency of development approval processes will not be accelerated.
  - Financial Implications: None identified.

## **SUMMARY POINTS**

- Municipalities may submit one Local Government Development Approvals Program grant application for 100% funding of eligible project costs up to \$150,000. Eligible projects must be completed within one year of grant approval.
- A Local Government Development Approvals Program grant application was submitted ahead of the 2024-MAR-08 deadline under the project title Development Approvals Business Analysis and Process Improvements for a consultant business analyst and change management specialist to support internal staff in reviewing approval business processes.
- UBCM requires Council's endorsement of the application and direction to Staff to provide overall grant management.
- Should the grant application be successful, the addition of a consultant is expected to accelerate the development approval process business analysis and implementation of process changes by 20%.

### **Submitted by:**

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### **Concurrence by:**

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