DATE OF MEETING   JULY 22, 2024

AUTHORED BY   JEREMY HOLM, DIRECTOR, PLANNING & DEVELOPMENT

SUBJECT   **DEVELOPMENT APPROVAL PROCESS REVIEW**

OVERVIEW

Purpose of Report

To provide Council with the final report for the Development Approval Process Review prepared by Neilson Strategies Inc. and recommendations for consideration.

Recommendation

That Council endorse the final report dated June 2024 by Neilson Strategies Inc. titled "Development Approval Process Review".

BACKGROUND

At the 2024-MAR-25 Governance and Priorities Committee meeting, the draft report pertaining to the Development Approval Process Review was presented. At its 2024-APR-08 meeting, Council passed a motion to:

> *"1. support the recommendations as outlined in the 2024-MAR-25 report by Neilson Strategies Inc. titled "Development Approval Process Review" and;*
>
> *2. direct Staff to work with the consultants to finalize the report and return to Council with a final draft of the report."*

The focus of the consultants' work was on expediting the City's processing of development applications, including amendments to the Official Community Plan (City Plan), amendments to the City's Zoning Bylaw, development permit and development variance permit applications, which are approval processes managed by the Current Planning section. More specifically, the *Development Approval Process Review* set out to:
- identify opportunities to increase the efficiency, certainty and consistency of development application reviews, along with opportunities to optimize fairness and transparency;
- propose and assess changes to address staffing levels and other resource needs to effectively process the types of applications submitted to the City;
- improve the completeness and quality of applications submitted to the City;
- involve the development community in designing and implementing improvements to the development approval process.

In undertaking the review, the consultants followed an eight-stage work program that included interviews with staff, a review of best practices in other communities, and extensive consultation

with developers and development industry professionals, including through a development industry workshop to review the consultants' findings.

The *Development Approval Process Review* final report (Attachment A) provides an overview of the current situation, identifies issues to be addressed, and provides recommendations to improve the effectiveness and efficiency of the City's processing of development applications.

DISCUSSION

Following receipt of the draft consultants report by GPC 2024-MAR-25, Staff worked with the consultant to finalize the report. No significant changes have been made to the March 2024 draft report. The findings and recommendations remain the same, with some minor revisions to improve brevity and clarity.

The consultants' report provides substantial detail and context for each issue and corresponding recommendation(s) and also provides a summary of issues, recommendations, and comments in Chapter 4 – Figure 4.1. The following summary of the thirteen issues identified through the review and the consultants' corresponding recommendation(s) to address the issue is provided for ease of reference:

1. Pre-Zoning - Recommendation:

> THAT the City build on *Bill 44's* pre-zoning changes by undertaking its own pre-zoning initiative aimed at increasing the range of permitted types, and the maximum densities, identified in Nanaimo's multi-family zones.

2. Concurrency of Approval Processes - Recommendation:

> THAT the City provide opportunities for rezoning and development permit applications to be processed concurrently in cases where applications are complete, staff support the proposed changes in zoning, and proponents are willing to accept the risks involved in undertaking design work and studies prior to knowing definitively that rezoning will be approved.

3. Application Tracking - Recommendation:

> THAT the City, in an effort to enhance transparency and accountability, reduce time spent responding to inquiries on the status of applications, and allow for proper collection of data on times required for applications to reach review milestones, optimize application tracking in the City's new file management software platform.

4. Target Timelines - Recommendations:

> THAT the City create, publish, and report annually on progress towards, a set of ambitious but practicable timeline targets for milestones in the development approval process.

> THAT the City defer the setting of targets until the new file software management platform is in place, and other recommended changes in this report have been actioned.

5. Pre-Application Meetings - Recommendations:

THAT the City amend the "Development Approval Procedures and Notification Bylaw 1991 No. 3892" to include the requirement for pre-application meetings for proposals that seek rezoning and/or development permit(s).

THAT the City formalize the process to request a pre-application meeting, including an information checklist to ensure proponents submit sufficient detail to optimize the pre-application meeting.

THAT the City provide to proponents, after pre-application meetings, a copy of the meeting minutes and information on land use requirements for the property, parking and landscape expectations, design guidelines, information on DCCs and other fees, environmental features and restrictions, road dedication requirements, traffic impact assessment guidelines, servicing constraints, and any other relevant items.

6. Internal Referrals - Recommendations:

THAT the City empower Planning File Managers to limit the referral of applications to internal groups that must review and provide comments on the development proposal under consideration.

THAT the City create internal referral checklists, customized to each referral group, to ensure that all relevant issues, and only relevant issues, are addressed.

THAT the City direct each referral group to assign one point of contact for all referrals, and to return one single set of comments to the File Manager.

THAT the City set and enforce ambitious timelines for comments to be returned from each referral group.

7. Comprehensive letters - Recommendations:

THAT the City create a *Late Hits Policy* to limit the imposition of additional demands on development proponents, after comprehensive letters have been issued.

THAT the City encourage Planning File Managers to identify, at their discretion, specific requirements that a proponent may choose to action prior to receiving the comprehensive letter.

8. Planning Positions - Recommendations:

THAT the City change the title of Planning Assistant to Planner I, and the title of Planner to Planner II.

THAT the City create a position of Assistant Manager of Current Planning.

9. Role of Engineering - Recommendations:

THAT the City direct Planning File Managers to seek input on the works and services implications of development proposals from Development Engineering only.

THAT the City create a *Development Application Review Process Protocol Agreement* to acknowledge the authority of the Development Engineering section in the review of development applications, and to assign clear roles and limits to the Engineering section in Engineering & Public Works.

10. Delegation of Authority - Recommendation:

THAT the City maximize the delegation of approval authority to staff for development permits, minor development variance permits and all other permits for which approval may be delegated.

11. Design Advisory Panel - Recommendations:

THAT the City clarify for development proponents the purpose of the Design Advisory Panel and the way in which the City uses the Panel's input.

THAT the City limit the number and types of form and character development permit applications that must be submitted to the Design Advisory Panel for review.

12. Management of Inquiries - Recommendation:

THAT the City continue to create new, and enhance existing, self-service options for property owners and development proponents to address their own development-related questions.

THAT the City create a comprehensive property-specific database to track inquiries made, and responses given, on each parcel of property.

THAT the City create a system to treat as Special Land Use Inquiries for any inquiries that, in the opinion of staff, would take longer than 30 minutes to address.

AND THAT the City require persons making Special Land Use Inquiries to compete a request form, and to pay a fee (amount TBD).

13. Development Liaison Group - Recommendation:

THAT the City create, in collaboration with representatives from the development sector, a Development Liaison Group.

The *Development Approvals Process Review* final report is presented to Council for endorsement.

OPTIONS

1.   That Council endorse the final report dated June 2024 by Neilson Strategies Inc. titled "Development Approval Process Review".

   - The advantages of this option: Implementing changes recommended by the consultants would help improve the effectiveness and efficiency of development approval processes and engage Staff and industry in developing solutions. Reputational improvement is likely. Improved employee retention and recruitment is likely.
   - The disadvantages of this option: Will require temporary diversion of resources to implement recommendations and manage change.
   - Financial Implications: Currently, a vacant exempt position within Planning and Development could be used to fund the creation of the position of an Assistant Manager of Current Planning.

2.   That Council not endorse the final report dated June 2024 by Neilson Strategies Inc. titled "Development Approval Process Review".

   - The advantages of this option: Will not require temporary diversion of resources to implement recommendations and manage change.
   - The disadvantages of this option: The effectiveness of development approval processes would not improve. Staff and industry would not be engaged in developing solutions. Employee retention and recruitment is likely to not improve.
   - Financial Implications: None anticipated.

3.   That Council provide alternate direction.

SUMMARY POINTS

   - The draft *Development Approval Process Review* report was presented to the Governance and Priorities Committee at the meeting held 2024-MAR-25.
   - At its meeting held 2024-APR-08, Council passed a motion to support the report's recommendations and direct staff to work with the consultants to finalize the report and return to Council for endorsement of the final report.
   - Following receipt of the draft consultants' report by GPC 2024-MAR-25, Staff worked with the consultant to finalize the report. No significant changes have been made to the March 2024 draft report. The findings and recommendations remain the same, with some minor revisions to improve brevity and clarity.

ATTACHMENTS

ATTACHMENT A: Development Approval Process Review, Final Report, June 2024

Submitted by:

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