



## Planning and Land Use Committee Report

### For the Meeting of September 18, 2014

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**Date:** September 4, 2014      **From:** Jim Handy, Senior Planner – Development Agreements

**Subject:** Council Workshop: Delegation of Development Permits and Heritage Alteration Permits

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#### Executive Summary

The purpose of this report is to provide Council with an introduction, as well as further analysis, regarding a workshop which will explore the potential delegation of Development Permit (DP) and Heritage Alteration Permit (HAP) Applications to staff for decision.

On December 12, 2013, staff presented a report to the Governance and Priorities Committee (GPC) recommending approval of an approach for the delegation of DPs and HAPs. This approach identified criteria to determine which applications would be referred to Council and which would be delegated to staff. In response to the recommendation, the GPC raised concerns related to the degree of delegation being proposed and made the following motion:

1. *that Committee refer Delegation of Development Permits and Heritage Alteration Permits to a subsequent workshop with staff providing an alternate formula involving a lesser degree of delegation and indication whether or not Public Hearings would be held, and;*
2. *for staff to report back and respond to issues and concerns identified by Committee at today's discussion.*

This report responds to this motion by addressing the following:

- format and content of the workshop
- DPs and HAPs subject to Hearings
- recommended approach involving a lesser degree of delegation.

The main goal of the workshop is to establish an approach for a delegation option which proposes a lesser degree of delegation than was previously reviewed by Council and addresses concerns raised by the GPC. Based on this direction, staff have identified a number of key topics and questions which explore the potential criteria that could be applied to the delegation of DPs and HAPs.

The City's *Land Use Procedures Bylaw* identifies procedures related to the consideration of DP and HAP Applications. In the event that Council pursues any delegated option, this Bylaw must be amended to be consistent with that option and clearly outline the steps in the associated approval process. In addition to the *Land Use Procedures Bylaw*, it will be necessary to amend other documentation such as the DP Application Package and the HAP Application Package.

In the event that Council decides to advance a form of delegation following the workshop, staff are recommending that the Planning and Land Use Committee (PLUC) direct staff to consult the public regarding the proposed delegation option and then report back with the resulting feedback, the

necessary bylaw amendments, resource issues, associated approval processes, implementation strategy and monitoring plans.


### Recommendation

In the event that Council choose to advance an option for the delegation of Development Permits and Heritage Alteration Permits, that Council direct staff to:


- a. Consult the public regarding the delegation option and report back with the resulting feedback; and
- b. At the same time as reporting back with feedback from the public consultation exercise, report back with necessary bylaw amendments, resource issues, associated approval processes, implementation, and monitoring plans as outlined below.

Respectfully submitted,

  
Jim Handy  
Senior Planner - Development Agreements  
Development Services Division

  
Deb Day, Director  
Sustainable Planning and  
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Report accepted and recommended by the City Manager:

  
Jason Johnson  
Date: Sept. 11/14

LT:aw

JH:aw

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## **1.0 Purpose**

The purpose of this report is to provide Council with an introduction, as well as further analysis, regarding a workshop which will explore the potential delegation of Development Permit (DP) Applications and Heritage Alteration Permit (HAP) Applications. The Governance and Priorities Committee (GPC) requested this workshop in response to a staff report presented to the Committee on December 12, 2013.

## **2.0 Background**

A series of reports related to the topic of delegated authority as it pertains to DPs and HAPs have been presented to Council over the past two years. The following sections summarize the related background.

### **2.1 Governance and Priorities Committee, April 5, 2012**

The *Official Community Plan* (OCP) was presented to the GPC in April 2012 and, as part of these discussions, it was recognized that a new City-wide Development Permit Area (DPA 16) was proposed and that development proposals within this area would require a DP and would be subject to the current established DP Application process. As a result of this discussion, the GPC expressed a desire to more generally explore methods that would expedite the current processes for DPs and HAPs in all Development Permit Areas and, as a result, the following motion was approved:

*"Be It Resolved that Council direct staff to investigate the feasibility of delegating authority to staff to issue development permits and heritage alteration permits in order to streamline and accelerate the development permit and heritage alteration permit application processes and to prepare a report for Council's consideration outlining a range of delegation options."*

Council endorsed this motion at its meeting on April 12, 2012.

### **2.2 Governance and Priorities Committee, June 21, 2012**

On June 21, 2012, the GPC considered a report which explored several options in terms of delegating approval authority. These options can be summarized as follows:

- Option # 1 – No Delegation
- Option # 2 – Maintain Status Quo
- Option # 3 – Delegation (No Variances and Exclusions)
- Option # 4 – Delegation (No Variances)
- Option # 5 – Delegation (With Variances and Exclusions)
- Option # 6 – Full Delegation.

The GPC selected Option #5: Delegation (with Variances and Exclusions) as the preferred option for delegating DP and HAP approval authority and directed staff to:

1. *Report back outlining a detailed approval process, staff resources, and application processing timelines; and*
2. *Report back with information regarding applications that had come before Committee and which applications would not come before Committee under Option #5, including with exclusion options.*

Council endorsed this motion at its meeting on June 28, 2012.

### **2.3 Governance and Priorities Committee, December 12, 2013**

On December 12, 2013, staff presented a report to the GPC recommending approval of an approach for the delegation of DPs and HAPs. This approach identified criteria to determine which applications would be referred to Council and which would be delegated to staff for consideration. In response to the recommendation, the GPC raised concerns relating to the degree of delegation being proposed and made the following motion:

1. *That Committee refer Delegation of Development Permits and Heritage Alteration Permits to a subsequent workshop with staff providing an alternate formula involving a lesser degree of delegation and indication whether or not Public Hearings would be held, and:*
2. *For staff to report back and respond to issues and concerns identified by Committee at today's discussion.*

This report and the subsequent workshop respond to this motion.

### **3.0 Format and Content of Workshop**

The purpose of the workshop is to discuss an approach for the delegation of DPs and HAPs. As directed by the GPC at their meeting on December 12, 2013, this approach should result in a lesser degree of delegation than previously recommended.

The proposed workshop format will be arranged so that staff will provide information on a series of topics and then facilitate the Committee through a series of questions that are key to determining an approach to delegation that responds to Council's wishes and concerns. The workshop agenda is listed below and the following sections provide greater detail on each item:

- Background
- DPs and HAPs that were subject to a non-statutory Hearing
- Review Delegation Options 1-6
- Recommended approach involving a lesser degree of delegation
- Summary of discussions and next steps.

### **3.1 Background**

The project background is summarized in Section 2 of this report. At the workshop, staff will provide a further overview of the events leading to the workshop.

### **3.2 Development Permits and Heritage Alterations Permits that were subject to a Non-statutory Hearing**

At its meeting of December 12, 2013, the GPC members were presented with data from 114 DPs and HAPs processed between January 2009 and July 2012. This data identified which of these applications would have been delegated and which would have been referred to Council, in accordance with the delegation option recommended by staff. In response to this information, the GPC expressed concerns related to the resulting degree of delegation and also enquired as to which applications would be subject to a non-statutory Hearing. It should be noted that DPs and HAPs are only subject to a non-statutory Hearing and a 30-day Community Association Land Use



Committee (CALUC) consultation where a variance to the *Zoning Regulation Bylaw* is proposed.

The original data table included in Appendix A has been updated to identify which applications would be subject to a non-statutory Hearing. The key data, as it relates to public consultation in the process, is summarized below:

	Under Current Process	Under Delegation Option
<b>Percentage of DP &amp; HAP Applications</b> (114 between Jan. 2009 and July 2012) <b>referred to a non-statutory Hearing</b>	36%	13%
<b>Percentage of DP &amp; HAP Applications</b> (114 between Jan. 2009 and July 2012) <b>referred to a CALUC</b>	36%	36%
<b>Percentage of DP &amp; HAP Applications</b> (114 between Jan. 2009 and July 2012) <b>subject to a Rezoning Application</b> (with statutory Public Hearing) <b>within 12 months of the subsequent DP or HAP approval</b>	17%	17%

### 3.3 Reviewing Delegation Options 1-6

Staff previously explored with Council several options for delegating approval authority for DPs and HAPs. The full range of options were presented in a report to GPC on June 21, 2012, as follows:

#### Option #1 – No Delegation

- Council are the approval authority for all DPs and HAPs, including minor and major applications. No delegation to staff.

#### Option #2 – Maintain Status Quo

- Continue with existing DP and HAP processes.
- Staff are the delegated approval authority for minor DPs and HAPs, as well as shoreline alterations within Development Permit Area 29, Victoria Arm – Gorge Waterway, which is an ecologically sensitive area.
- Council are the approval authority for all non-minor DP and HAP Applications.

#### Option #3 – Delegation (No Variances and Exclusions)

- Approval authority for DPs and HAPs with no variances is delegated to staff.
- Certain exclusions may apply where applications require Council approval. Exclusions, which would be established by Council, could include certain areas of the City (e.g. Old Town, Inner Harbour) and projects of a certain size or other criteria (e.g. over a specified density, height or floor area).
- Council is the approval authority for all DPs and HAPs which include a variance.

#### Option #4 – Delegation (No Variances)

- Approval authority for all DPs and HAPs with no variances are delegated to staff.
- Council is the approval authority for all DPs and HAPs which include a variance.
- Under this option, no part of the City would be excluded from delegated authority.

Therefore, if an application had no variances, it would be delegated to staff regardless of its location.

Option #5 – Delegation (With Variances and Exclusions)

- Approval authority for DPs and HAPs with or without variances are delegated to staff.
- Certain exclusions may apply where applications require Council approval. Exclusions, which would be established by Council, could include certain areas of the City (e.g. Old Town, Inner Harbour) and projects of a certain size or criteria (e.g. over a specified density, height or floor area).

Option #6 – Full Delegation

- Full delegation of all DP and HAP Applications to staff.

The GPC selected Option #5: Delegation (with Variances and Exclusions) as the preferred option for delegating DP and HAP approval authority and, as directed by Council, staff presented a detailed delegation option including approval processes and process timelines to the GPC on December 12, 2013. In response to the staff report, Council raised concerns relating to the amount of delegation being proposed and directed staff to devise an alternate formula involving a lesser degree of delegation.

The workshop will re-examine Delegated Options #1-6 and allow for discussions that will inform a new formula for delegation. However, staff recommend to Council that a more stringent version of Option #5 should be considered for the following reasons:

- Options #1 and #2 do not propose any additional delegation, over what currently exists, which is contrary to the original Council motion from April 12, 2012, which sought to investigate the potential for delegating the authority to consider DPs and HAPs to staff.
- Option #3 would require that all variances be referred to Council regardless of how minor a variance is, for example, an application proposing a one-stall parking variance or a minor setback variance would not be delegated to staff.
- Option #4 proposes that all applications are delegated unless a variance is proposed. In this Option, there are no exclusions related to geographic location or scale of development so, in some ways, this Option results in delegating potentially more sensitive applications to staff than Option #5. This is considered contrary to the Council motion from December 12, 2013, which directed staff to devise a formula resulting in a lesser degree of delegation.
- Option #5 offers the greatest degree of flexibility as it allows the delegation of certain DPs and HAPs, including those proposing a variance, subject to any criteria Council wishes to apply (for example, a criteria could be added which requires that development proposals are referred to Council if they exceed a certain percentage of change from the *Zoning Regulation Bylaw* standard). This allows Option #5 to be further refined in order to provide a lesser degree of delegation.
- Option #6 proposes delegation of all DPs and HAPs to staff which is contrary to the Council motion from December 12, 2013, which directed staff to devise a formula resulting in a lesser degree of delegation.

### **3.4 Recommended Approach**

The main goal of the workshop is to discuss a new approach for the delegation of DPs and HAPs



that addresses the concerns raised by the GPC at their meeting on December 12, 2013. To facilitate this, staff have identified a number of decision points that will help guide discussion to bring forward a delegated option reflecting Council's direction. These decision points are presented in the form of criteria which could be used to determine when applications would be referred to Council and are summarized below.

Applications could be referred to Council under the following conditions:

- when written objections from one or more immediate neighbour(s) or the CALUC are received within the consultation period
- when the Mayor or a Councillor requests that an application be referred to Council
- if it is a HAP, unless the proposal is minor in nature
- if an application is located in the Core Inner Harbour/Legislative or Core Historic Urban Place Designations (as defined in the OCP), unless the proposal is minor in nature
- if it proposes a variance 25% or greater than the standard set out in the *Zoning Regulation Bylaw*, or where no numerical value is associated with the applicable regulation (i.e. regulations prohibiting rooftop patios)
- if it exceeds certain scale thresholds
- if Council approval of a bylaw and/or if the application proposes amendments to, or the discharge of a legal agreement
- if staff recommend it be declined
- if at the discretion of the Director of Sustainable Planning and Community Development it should be referred.

In addition to the above, staff recommend that Council delegate to staff the consideration of the first application for the renewal of any DP or HAP that has not yet lapsed where the proposed plans are not substantially different from the previously approved plans and there has been no substantive change to relevant City policy and/or regulations since the time of the original approval.

Staff also recommend that any applications for temporary construction trailers be delegated as these are typically minor in nature, are required to support the construction of an approved development and will be removed from the site when construction is complete.

This list of delegation criteria is deliberately more extensive than that previously presented to the GPC and is intended to result in a lesser degree of delegation while addressing specific concerns raised by the GPC. At the workshop, staff will be working through these criteria with the PLUC to determine Council's direction towards delegation.

### **3.5 Next Steps**

The main goal of the workshop is to establish an approach for a delegation option which proposes a lesser degree of delegation than was previously reviewed by Council and addresses concerns raised by the GPC. In the event that Council directs staff to pursue a form of delegation, staff are recommending that the PLUC direct staff to consult the public regarding the proposed delegation option and then report back to Council with the resulting feedback, the necessary bylaw amendments, resource issues, associated approval processes, implementation strategy, and monitoring plans. The following sections provide a brief overview of these considerations.



### 3.5.1 Amendments to City Bylaw and other Documentation

The City's *Land Use Procedures Bylaw* identifies procedures related to the consideration of DP and HAP Applications. In the event that Council pursues any delegated option, this Bylaw must be amended to be consistent with that option and clearly outline the steps in the associated approval process.

In addition to the *Land Use Procedures Bylaw*, it will be necessary to amend other documentation such as the DP Application Package and the HAP Application Package.

### 3.5.2 Streamlining Processes and Resource Issues

The key benefit to having delegated authority relates to application processing times and the associated benefits for applicants, as well as reducing the amount of Council's time that would be spent dealing with these smaller applications. Additionally, one of the key participant suggestion themes resulting from the Development Summit supported introducing delegated authority to staff. Section 3.5.3 of this report outlines a general process for delegated applications along with time frames.

Notwithstanding the time saving benefits for applicants, the implementation of any form of delegated authority will have initial resource implications, as staff amend existing bylaws and procedures. Once new procedures are in place, staff will still be required to undertake all the necessary analysis and documentation to ensure that decisions are sound and satisfactorily documented. Additionally, it is anticipated that a delegated option which involves referrals and community engagement will result in additional workload for administrative staff responsible for managing notification processes and correspondence resulting from public consultation. However, it should also be noted that some of these duties are currently undertaken within other Departments in the City so further exploration to determine how to align resources and workload if Council chooses to advance this type of delegated option would need to occur.

Another important factor in the discussion about resources is the increase in volume of applications that has occurred over the last two years. This can largely be attributed to positive market forces as evidenced in the table below which provides data on the increase in the number of Rezoning Applications that have been received since July 30, 2012. Rezoning Applications are also often accompanied by DP and/or HAP Applications. There have been no new regulations introduced through the OCP that would have directly triggered the need for this increase in Rezoning Applications.

Rezoning Applications					
	July 30, 2010 to July 29 2011	July 30, 2011 to July 29 2012	July 30, 2012 to July 29, 2013	July 30, 2013 to July 29, 2014	Increase since July 29, 2012
REZ	31	23	26	36	15%

To further illustrate the increase in the volume of applications, the table below identifies that the number of DP Applications alone has increased 111% over the same time period. In addition to positive market forces, this is also partly due to the new Development Permit Areas identified in the OCP. Application records indicate that 51 of the 95 DP Applications received since the adoption of the OCP were not previously located in Development Permit Areas. Of these 50 applications, 23 were associated with a Rezoning Application. The need for a DP Application to permit the development identified in the Rezoning Application still results in additional administrative workload and staff are also required to review the proposal for compliance with



Development Permit Area Guidelines and provide the applicant with appropriate feedback. An increase in the number of DP Applications has also resulted in additional work relating to the monitoring of development to ensure it is built in accordance with approved plans and processing Minor Development Permit Applications that are often necessary as Developers seek minor revisions to address unforeseen issues during the construction phase of a project. However, the increased volume of Development Permit applications was anticipated and acknowledged by Council at the time of the adoption of the OCP. As outlined in Section 2.1 of this report, in response to the Development Permit Areas identified in the OCP, Council directed staff to investigate the feasibility of delegating authority to issue DPs and HAPs in order to streamline and accelerate application processes.

**Development Permit, Development Permit Minor, Heritage Alteration Permit,  
and Heritage Minor Alteration Permit Applications**

	July 30, 2010 to July 29 2011	July 30, 2011 to July 29 2012	July 30, 2012 to July 29, 2013	July 30, 2013 to July 29, 2014	Increase since July 29, 2012
DP	25	20	42	53	111%
DPM	70	50	64	62	5%
HAP	16	13	20	16	24%
HMA	12	18	29	27	87%
<b>Total</b>	<b>123</b>	<b>101</b>	<b>155</b>	<b>158</b>	<b>40%</b>

Should Council approve the form of delegated authority recommended in this report, it is anticipated that approximately two-thirds of all planning-related applications (Rezoning Applications, Development Variance Permits, Development Permits and Heritage Alteration Permits) would still be referred to Council. Staff workloads are unlikely to be reduced with the introduction of delegated authority as the level of analysis and documentation will remain at similar levels while overall administrative duties may increase; however, as stated earlier, processing timelines for applicants to receive a decision and Council agendas will be streamlined to some degree.

Based on the delegated process estimates attached to this report in Appendix B, it is estimated that where applications are supportable and no revisions or additional information is required, an approval could be issued for a DP Application or HAP Application with no variances within two to four weeks and, where a variance is proposed, in just over 30 days. However, this timeline could be significantly affected by the following factors:

- the complexity of a project
- whether the design needs to be altered significantly to meet application design guidelines
- whether additional supporting information (i.e. a parking study or other specialist consultant report) is required
- applicant response times to requests for amended plans and/or additional information
- whether or not a project needs to be reviewed by the Advisory Design Panel or Heritage Advisory Panel.

The actual timeline associated with these factors is not easily quantifiable, however, most of these issues are not unique to a delegated process.

### **3.5.3 External Consultation**

As a next step, it will be important to consult the public regarding the preferred delegation option. It is envisaged that this consultation would take place in the form of an open house event. This event would be advertised in the newspaper, posted on the City website and individual written invitations would be sent to the Urban Development Institute (UDI) and all CALUCs.

However, it is recommended that Council first identify the form of a preferred delegation option prior to consulting externally so that the resulting feedback will be more focused. Staff would then report back to Council with the results of the stakeholder engagement along with suggested refinements based on the feedback received and a corresponding implementation strategy.

### **3.5.4 Implementation of Delegated Process**

Subject to Council approving a form of delegation, it will be necessary to undertake an implementation strategy to ensure that:

- affected City processes, bylaws, and information are amended as necessary
- the City website is updated as necessary, with all revised documents and the list of DPs and HAPs is readily accessible
- customers (i.e. public, neighbourhood associations and developers) are aware of the process change in advance of the date that delegated authority takes effect
- a date has been identified for the delegated authority to take place and a transition plan for in-stream applications is established.

### **3.5.5 Monitoring**

It is recommended that any new delegated process be monitored and that staff report back to Council regularly outlining the effectiveness of the changes made. If any issues arise outside of the regular reporting schedule, which cannot be dealt with administratively, they would be brought to Council's attention as quickly as possible.

## **4.0 Conclusion**

The main goal of the workshop is to discuss a new approach for the delegation of DPs and HAPs that addresses the concerns raised by the GPC at their meeting on December 12, 2013. To facilitate this, staff have identified a number of decision points that respond to Council's request. These decision points are in the form of criteria which could be used to determine when applications would be referred to Council. This list of delegation criteria is deliberately more extensive than previously presented to the GPC and is intended to result in a lesser degree of delegation while addressing specific concerns raised by the GPC.

In the event that Council decides to advance a form of delegation following this workshop, staff are recommending that the Planning and Land Use Committee (PLUC) direct staff to consult the public regarding the proposed delegation option and then report back to Council with the resulting feedback, the necessary bylaw amendments, resource issues, associated approval processes, implementation strategy, and monitoring plans.



## **5.0 Recommendations**

In the event that Council choose to advance an option for the delegation of Development Permits and Heritage Alteration Permits, that Council direct staff to:

- a. Consult the public regarding the delegation option and report back with the resulting feedback; and
- b. At the same time as reporting back with feedback from the public consultation exercise, report back with necessary bylaw amendments, resource issues, associated approval processes, implementation, and monitoring plans as outlined below.

## **6.0 List of Attachments**

- Data table (applications considered from January 2009 to July 2012)
- Delegated Process and Timelines
- Staff report to the GPC dated December 12, 2013.