



Governance and Priorities Committee Report

Date: June 7, 2012

From: Jarret Matanowitsch, Senior Planner
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Facilitator

Subject: Development Permit and Heritage Alteration Permit Applications
Options for Delegating Approval Authority to Staff

Executive Summary

The purpose of this report is to provide Council with information, analysis and Options in response to a Council motion directing staff to investigate the feasibility of delegating the authority to staff to approve Development Permits and Heritage Alteration Permits.

The Governance and Priorities Committee, at its April 5, 2012 meeting, passed a motion directing staff to explore methods that will expedite the current approval processes for Development Permits and Heritage Alteration Permits. Council confirmed this direction by passing the following motion at its April 12, 2012, meeting:

"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."

Staff have explored several Options for Council's consideration in terms of delegating to staff the approval authority for Development Permits (DPs) and Heritage Alteration Permits (HAPs). The full range of Options explored in this report includes:

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 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 DPs and HAPs with no variances are delegated to staff.
- Council is the approval authority for all DPs and HAPs which include a variance.

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 (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.

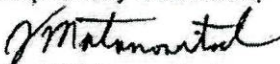
The Options in this report are presented for Council's consideration. There is a brief analysis of each Option provided, including advantages and disadvantages. Should Council select a preferred Option, further analysis is required in terms any new processes, staff resources and efficiencies, costs and benefits to the development community and the public.

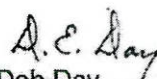
As part of this study, staff reviewed DP and HAP approval processes in other jurisdictions. Delegation of approval authority to staff is common, however, it comes in many different forms. A common element is that staff do not have the outright authority to decline an application. This is consistent with direction given in section 920 of the *Local Government Act* which states that, "If local government delegates the power to issue a development permit under this section, the owner of land that is subject to the decision of the delegate is entitled to have the local government reconsider the matter."

Recommendation

Should a form of delegation to staff be preferred, that Council select one of the described Options for delegating Development Permit and Heritage Alteration Permit approval authority and direct staff to report back outlining a detailed approval process, staff resources and application processing timelines. Should Council select an Option with exclusions, that staff be directed to analyze specific exclusions to determine their effect on timelines and processes.

Respectfully submitted,


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Report accepted and recommended by the City Manager:


Gail Stephens

1.0 Purpose

The purpose of this report is to provide Council with information, analysis and Options in response to a Council motion directing staff to investigate the feasibility of delegating the authority to staff to approve Development Permits and Heritage Alteration Permits.

2.0 Background

The new Proposed *Official Community Plan*, April 2012 (OCP) was presented to the Governance and Priorities Committee (GPC) on April 5, 2012. As part of the discussions relating to the OCP it was acknowledged that a new Development Permit Area (DPA16) was proposed and that development proposals within this area would require a Development Permit and be subject to the current established Development Permit application process.

As a result of this discussion, GPC expressed a desire to more generally explore methods that will expedite the current processes for Development Permits (DPs) and Heritage Alteration Permits (HAPs) and, as a result, the following motion was raised:

"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."

On April 12, 2012, Council endorsed this motion.

The *Community Charter* (Section 154) and the *Local Government Act* enable Council to delegate its authority to approve DPs and HAPs. This delegated approval authority includes the authority to approve variances. However, the *Local Government Act*, in Section 922 (8) is clear that Council cannot delegate the authority to approve Development Variance Permits.

Section 922 (8) As a restriction on section 176 (1) (e) [corporate powers - delegation] of this Act and section 154 [delegation of council authority] of the Community Charter, a local government may not delegate the issuance of a development variance permit.

Therefore, this report is restricted to the analysis of delegating the authority to approve DPs and HAPs.

There are several key issues to weigh when considering the benefits and potential drawbacks of granting delegated powers to staff in relation to the determination of DPs and HAPs. One consideration identified in the discussion by Council related to customer service.

Delegating powers to staff would eliminate several stages in the approval process (staff report writing, Planning and Land Use Standing Committee, Council, Public Hearing, etc.). This would, in all likelihood, result in an expedited timeline for the processing of applications with potentially positive economic development implications, albeit complex development applications may still have a longer review time. Although a shorter application processing time may be perceived to be positive from the perspective of an applicant (i.e. quicker decisions), this could potentially limit opportunities for public participation in the process when there is a variance (Public Hearing under the current process as required by the City's *Land Use Procedures Bylaw*).

In circumstances where applications are declined by staff, the *Local Government Act* establishes the opportunity for the applicant to address Council. Section 920 of the *Local Government Act* states that: "If local government delegates the power to issue a development permit under this section, the owner of land that is subject to the decision of the delegate is entitled to have the local government reconsider the matter." Therefore, the City would need to establish a process where an applicant can take their application to Council if they do not receive a favourable decision by staff.

Delegated powers could take a multitude of forms from full delegation to staff to minimal delegation subject to specified criteria, which is the current practice. This report investigates the range of delegation Options, provides a brief analysis of each Option and gives examples of how other municipalities in British Columbia have delegated the authority to determine DPs and HAPs.

3.0 Current Development Process

The following is a description of the City's current DP and HAP application process. There are many variations to the process time frame dependent on the complexity of an application, whether or not the project involves variances or how quickly the applicant responds to staff suggestions and requests for information.

Typically, following application submission, DP and HAP applications follow the process summarized below:

1. The application is reviewed by City staff (Development Services, Community Planning, Permits and Inspections, Engineering, Parks, Fire). If an application includes variances, the application is referred to the Community Association Land Use Committee (CALUC) (with 30 days for a reply). The referral to CALUC is for information purposes and does not slow the processing of the application. If comments from the CALUC are received they are appended to the staff report.

Estimated time: 2 - 4 weeks

2. Comments resulting from the initial staff review are issued and could require that the applicant submits amended plans and/or additional information to support the application. On receipt of any requested information, a further staff review will be required and additional amendments and/or further information may be necessary. This process continues until staff are satisfied that they can proceed with preparing a report to the Planning and Land Use Standing Committee (PLUSC). The time frame relating to these negotiations is difficult to quantify as it depends on a number of variables, some of which are beyond the control of the City, such as the speed with which an applicant responds to staff comments and the complexity of the application.

Estimated time: 2 - 4 weeks

3. Prior to advancing to PLUSC, depending on the application, staff may bring a proposal before the Advisory Design Panel or Heritage Advisory Committee for their review and input. Staff prepares a report to the Panel or Committee, prepares an agenda, attends the meeting and provides a brief presentation and subsequently minutes are prepared.

Estimated time: 2 – 4 weeks (depending on monthly meeting schedule)

4. Staff prepare the PLUSC Report with the recommendations. Depending on the volume of the applications being handled by each planner, the timing for completing each "competing" report may be affected.

Estimated time: 2 weeks

5. The PLUSC Report is circulated to senior management and then made available to the Agenda Committee in advance of the PLUSC meeting.

Estimated time: 2 weeks

6. PLUSC meeting is held, where PLUSC may recommend approval, changes, rejection or deferral, which Council considers at their next meeting. If changes or additional information (i.e. legal agreements) are required then the applicant must provide a satisfactory response prior to proceeding to Council. Again, this time frame is subject to variables outside the control of the City and therefore it is difficult to quantify.

Estimated time: 2 weeks

7. In the event that there are no variances proposed and all outstanding issues have been resolved, the application can proceed to Council. Where the application proposes variances, the application must be heard at a Public Hearing whereby the item would initially be taken to Council to establish the date of a Public Hearing, as established in the City's *Land Use Procedures Bylaw*.

Estimated time: no variance - 2 weeks
with variance - 4 weeks.

In light of the above and recognizing that response times for applicants responding to matters raised by the City (staff, PLUSC, etc.) vary, it is estimated that DP and HAP applications could be processed in 12 to 22 weeks. The preparation of staff reports and referral to Council, which may include a Public Hearing, contribute to a significant proportion of this time (8 to 12 weeks). Based on a review of the current process, if approval authority for DPs and HAPs were delegated to staff, it is estimated that the processing time of applications could be reduced by 8 to 12 weeks.

A summary of the current DP and HAP processes is included in Appendix A. In addition, a summary of the potential delegated approval process is also included in Appendix A for comparison purposes.

A considerable staff resource is expended when processing DP and HAP applications through PLUSC and Council under the current process as:

- Planners prepare detailed reports to PLUSC and Council
- Senior Staff review Planner reports
- Planners prepare presentations to PLUSC and Council
- Planners and Senior Staff must attend PLUSC and Council

- Legislative Services Staff prepare and circulate agenda
- Legislative Services Staff prepare and circulate minutes
- Legislative Services Staff notify adjacent property owners and occupiers of a Public Hearing (if required)
- Planning Staff prepare Public Hearing signage (if required).

This report does not include an estimate of any costs, benefits or implications for the applicants or others regarding delegation, although applicants have consistently sought as timely decision-making as possible due to the costs that they bear while preparing and holding property prior to development. However, from a City perspective, the aforementioned list of resources assigned to DP and HAP applications have a considerable monetary value based on time spent multiplied by staff wages. Resources saved by introducing delegated authority could be used to provide more timely customer service, recognizing that approvals by staff will also require thorough analysis of development applications, detailed discussions with applicants, as well as careful formulation of decisions and conditions through approval letters. It must also be recognized that there would need to be a system in place to ensure that Council has the necessary information and processes should an applicant want to have a staff decision reviewed, which will also require resources.

4.0 Options

If Council decides to delegate approval authority for DPs and HAPs to staff, there are several Options available for the type and level of delegation, ranging from no delegation to full delegation. Staff have identified a range of six delegation Options for Council's consideration which are described below.

Included in several of the delegation Options are "exclusions". Exclusions refer to scenarios where Council would maintain approval authority and not delegate to staff. These exclusions could include sensitive locations within the City, such as Old Town or the Inner Harbour, projects over a certain scale (e.g. density, height, floor area or unit numbers) and certain uses that may be of concern or Heritage-Designated buildings.

A brief description of each Option is provided below. In addition, a summary table of the Options is provided in Appendix B.

Option #1 – No Delegation

Under this Option, Council would be the approval authority for all DP and HAP applications. At present, Council has delegated to staff the approval authority for Minor Amendments to DPs and HAPs. Under Option #1, this delegation authority would be removed from staff, the *Land Use Procedures Bylaw* would be amended and Council would be the approval authority for all applications.

Option #2 – Maintain Status Quo

This Option involves no change from the current City process. Approval authority for Minor DPs and Minor HAPs, as well as within DPA 29, Victoria Arm – Gorge Waterway, would still be delegated to staff and Council would be the approval authority for all regular DPs and HAPs.

Option #3 – Delegation (No Variances and Exclusions)

(a) No Variances

This Option involves delegating DPs and HAPs with no variances to staff. Staff would only deal with applications which were consistent with the *Zoning Regulation Bylaw*. Applications that require a variance to the *Zoning Regulation Bylaw* would require Council approval, consistent with the current Council approval process established in the *Land Use Procedures Bylaw*, including the requirement for a Public Hearing.

(b) Exclusions

A second component of this Option involves specific exclusions selected by Council. Exclusions involve situations where Council would maintain approval authority, some of which could include:

- specified locations in the City (e.g. Old Town, Inner Harbour)
- certain scale of projects (e.g. density, number of units, height)
- certain uses (e.g. Commercial, Industrial)
- Heritage-Designated Buildings.

Option #4 – Delegation – (No Variances)

This Option involves delegating DPs and HAPs with no variances to staff. Staff would only deal with applications which are consistent with the *Zoning Regulation Bylaw*. All applications that require a variance to the *Zoning Regulation Bylaw* would require Council approval, under the current approval process, including a Public Hearing. Only applications that do not involve a variance would be approved by staff and there would be no exclusions in terms of the type of development or location in the City.

Option #5 – Delegation (With Variances and Exclusions)

(a) With Variances

Option #5 would see Council delegate staff the approval authority for DP and HAP applications with or without variances. Therefore, in addition to approving building and site design, staff would also have the authority to approve DPs and HAPs which include variances to the *Zoning Regulation Bylaw*, such as variances to building height, setbacks, site coverage or parking standards.

(b) With Exclusions

A second component of this Option involves specific exclusions selected by Council. Exclusions are situations where Council would maintain approval authority, some of which could include:

- specified locations in the City (e.g. Old Town, Inner Harbour)
- certain scale of projects (e.g. density, number of units, height)

- certain uses (e.g. Commercial, Industrial)
- Heritage-Designated buildings.

In addition to the above exclusions, Council could also consider excluding some types of variances from staff approval. For example, Council may want to maintain approval authority for such variances as building height or site coverage, but may wish to delegate approval authority to staff for variances related to building setbacks or parking variances, as an example.

Option #6 – Full Delegation

Under Option #6, Council would give full delegation to staff for all DPs and HAPs in the City. Staff would have the approval authority for DPs and HAPs with or without variances, for all types of development projects, in any location in the City.

Included in all of the above delegation Options would be a process which allows an applicant who does not receive a favourable decision by staff, to take their application before Council for consideration.

It should be noted that the Options for delegation only apply to DP and HAP applications. The *Local Government Act* requires that Council be the approval authority for Development Variance Permit Applications, Rezoning Applications and Official Community Plan amendments.

5.0 Analysis

The following table provides a brief summary of the advantages and disadvantages of Council delegating approval authority to staff.

Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Decreased Level of Delegation			Increased Level of Delegation		
Advantages of less delegation			Advantages of more delegation		
<ul style="list-style-type: none"> • Elected officials maintain approval authority. • More applications would be considered by Council and decisions made in public. • Where there is a variance, a Public Hearing is involved, providing an opportunity for direct public input to Council. 			<ul style="list-style-type: none"> • Quicker processing times for applications. • Staff would be able to use time made available due to a more streamlined approval process for handling more volume or faster processing times. • Staff could refer to Advisory Design Panel and Heritage Advisory Committee for advice and design suggestions. • Council resources could be devoted to other important decision-making activities. • Some flexibility with the opportunity for "exclusions" where Council may consider certain applications. 		

	<ul style="list-style-type: none"> If the delegation of DPs and HAPs with variances did not lead to Council Public Hearings, the notification costs for applicants may be reduced.
Disadvantages of less delegation	Disadvantages of more delegation
<ul style="list-style-type: none"> Longer application processing time and time for final decisions to be rendered. Significant staff resources are contributed to processing applications (report writing and Council process). Significant Council resources are contributed to process. 	<ul style="list-style-type: none"> Less opportunity for public input when there are variances, as there would be no Public Hearing of Council.

Staff have not completed a detailed analysis of every Option. Upon receiving further direction from Council as to which Option(s) are preferred or merit more study, further analysis could include the following:

- A detailed description of the DP and HAP processes and timeline under delegated authority.
- An analysis of how exclusions would be applied, including an estimate of how many applications may be streamlined and how many may require Council approval based on selected exclusions.
- A description of potential Options to provide public information and input in a delegated process where variances are required.
- A description of potential engagement with the public and development industry about delegation.
- An outline of the required updates to Council bylaws, policies and design guidelines.

6.0 Other Jurisdictions

Based on a review of other municipalities in British Columbia, it is evident that there is a precedent for municipal Councils to delegate approval authority of DPs and HAPs to staff. However, the ways in which the powers of delegation are structured vary significantly from total delegation to delegation where numerous exclusionary criteria apply.

It is noted that a criteria commonly used in the bylaws reviewed entitle an applicant to request that Council reconsider an application when they are dissatisfied with the way it has been determined under staff delegated authority. This is consistent with direction given in Section 920 of the *Local Government Act*. Such requests normally have to be submitted within a specified timeline (normally within 30 days of the date of the staff decision).

Several examples of how municipalities have delegated decision-making authority to staff are summarized below. These examples specifically refer to DPs and do not reference HAPs, however, these areas may not have the same historical characteristics as Victoria and they may receive relatively few HAP applications. In fact, the City of Langford does not have any

officially-designated heritage sites within their jurisdiction and, therefore, do not have a HAP process. Notwithstanding this, the delegation of HAPs is not unusual. The Cities of Vancouver, Kelowna, Richmond and Nelson have all delegated approval authority to staff.

6.1 Examples of Development Permit Delegation

City of Colwood

The *City of Colwood Development Permit Delegation Bylaw 2009* authorizes the City's Director of Planning to exercise all of the powers, duties and functions of Council in respect of DPs. An owner of property who is dissatisfied with a decision is entitled to have the decision reconsidered by Council. This request must be submitted within 30 days after the decision is communicated in writing to the owner. The City of Colwood makes all reasonable efforts to notify property owners and tenants in occupation of lands within 75 m of sites which are subject to an application for a DP.

City of Langford

Similar to the City of Colwood, the City of Langford authorizes the Municipal Planner to exercise all of the powers, duties and functions of the Council in respect of DPs. Again, an owner of property who is dissatisfied with a decision is entitled to have the decision reconsidered by Council.

District of Saanich

The District of Saanich have delegated to senior staff, the power to approve or reject:

- a DP or DP amendment where the land is located within specific environmentally sensitive areas or public spaces
- a Development Variance Permit or an amendment to a DP where the subject of the application is a sign
- an amendment to a DP subject to form and character issues.

Bowen Island Municipality

All DPs are delegated to staff. Applicants are entitled to have delegated decisions reconsidered by Council.

Regional District of Central Kootenay

The Board of Directors of the Regional District have delegated the authority to issue DPs in a number of geographic areas as defined by their OCP. Under the associated bylaw, an applicant is entitled to a reconsideration of a delegated decision by the Board of Directors.

District of Lake Country

Municipal staff do not have any delegated powers in relation to the determination of DPs. Instead, Council has delegated its powers in this respect to a Development Permit Committee (comprised of Council Members).

City of Penticton

The approval of DPs has been delegated to staff subject to a number of exclusions which include size restrictions (i.e. additions exceeding 930 m² and multi-family residential development above six storeys in height and over 2,800 m² floor space are excluded) and applications in designated environmentally sensitive areas. Furthermore, staff do not consider DP Applications where they are submitted concurrently with an OCP amendment, Rezoning Application or Development Variance Permit Application.

In addition, if an applicant is dissatisfied with a DP decision by staff, they can request that Council reconsider their application. Such a request must be submitted within 30 days of the date of the DP decision (and is subject to further stipulations). The file manager still has the discretion to refer any DP application to Council.

City of Pitt Meadows

Staff have been given delegated powers to determine DPs for infill housing, including duplexes, garden suites and up to four contiguous infill single-family lots within the Residential Infill Development Permit Area of the OCP.

Applications which propose minor amendments to DPs previously approved by Council are also determined by staff.

If an applicant is dissatisfied with a staff decision on a DP they are entitled to request that Council reconsider their application. Such a request must be submitted within 30 days of the date of the DP decision by staff.

Resort Municipality of Whistler

DPs proposing relatively minor modifications to existing buildings, including small additions (i.e. not exceeding 20 m² floor area), are delegated to staff in addition to specific developments (i.e. single family and duplex buildings) identified in Development Permit Areas.

7.0 Options

1. That Council direct staff to provide further analysis on a preferred Option(s) for processing DP and HAP applications.
2. That Council direct staff to continue processing applications under the current process.

8.0 Conclusion

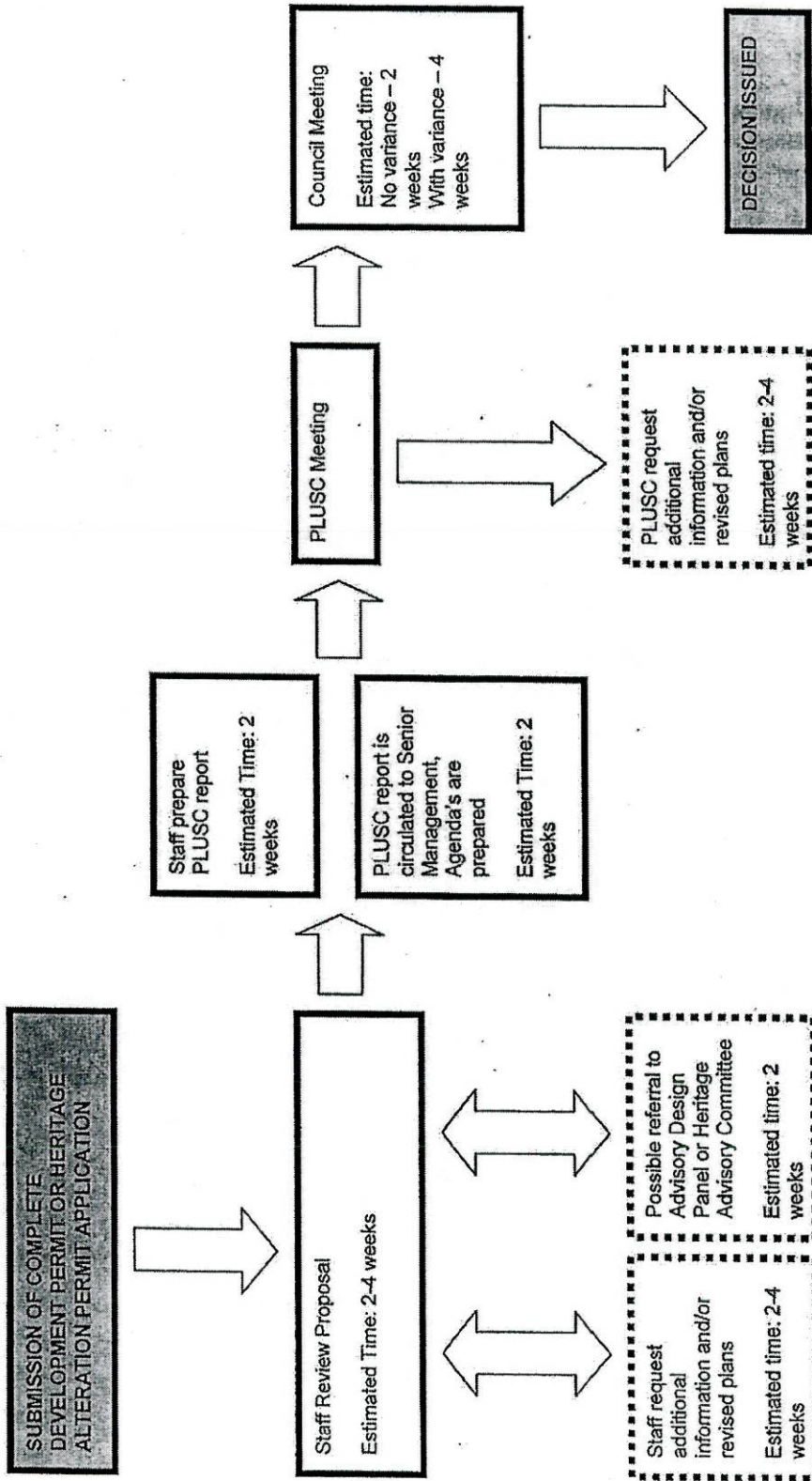
Delegating DP and HAP approval authority to staff certainly has advantages and disadvantages as outlined in the staff analysis. If the ultimate goal is to shorten the application processing time, then delegating approval authority to staff is a method of achieving this.

As outlined in this report, there are several Options for staff delegation and many different variations within each Option. Should Council see merit in delegating some or all DP and HAP approval authority to staff, based on Council direction, further analysis can be completed to provide specific details about the preferred delegation Option(s).

9.0 Recommendation

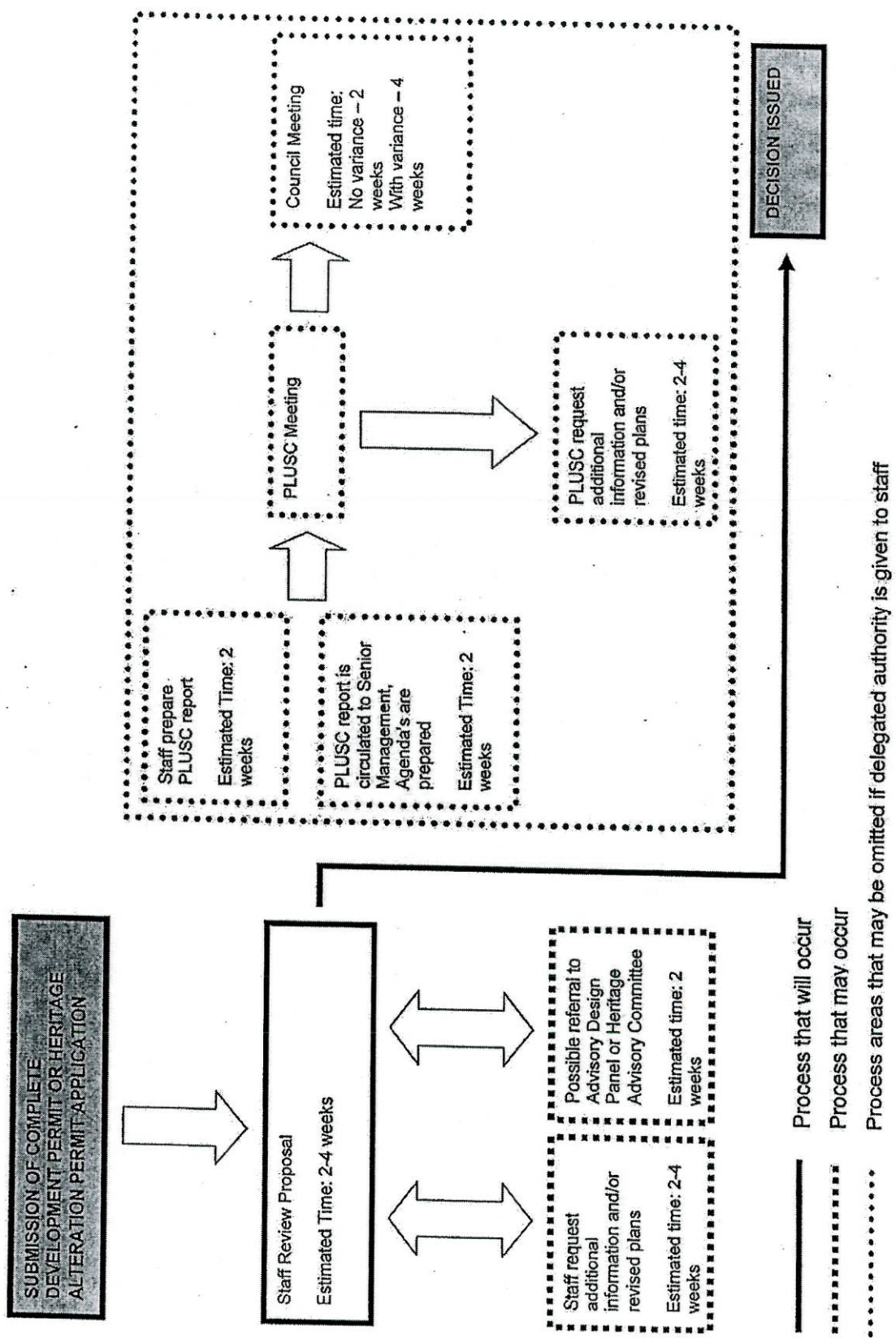
Should a form of delegation to staff be preferred, that Council select one of the described Options for delegating Development Permit and Heritage Alteration Permit approval authority and direct staff to report back outlining a detailed approval process, staff resources and application processing timelines. Should Council select an Option with exclusions, that staff be directed to analyze specific exclusions to determine their effect on timelines and processes.

APPENDIX A – CURRENT DEVELOPMENT PERMIT/HERITAGE ALTERATION PERMIT
PROCESS FLOW CHART (SUMMARY)



———— Process that will occur
 Process that may occur

APPENDIX A - DELEGATED DEVELOPMENT PERMIT/HERITAGE ALTERATION PERMIT PROCESS
FLOW CHART (SUMMARY)



APPENDIX B – DELEGATION OPTIONS

Option Title	Option 1	Option 2	Option 3	Option 4	Options 5	Option 6
	No delegation	Maintain Status Quo	Delegation - No Variances - with Exclusions	Delegation - No Variances	Delegation - With Variances - with Exclusions	Full Delegation
Minor DP & HAP Approving Responsibility	Council authorizes Minor DPs and Minor HAPs	Council has Delegated Minor DPs and Minor HAPs to Staff	Delegation of Minor DPs and HAPs to Staff	Delegation of Minor DPs and HAPs to Staff	Delegation of Minor DPs and HAPs to Staff	Delegation of Minor DPs and HAPs to Staff
DP and HAP Approving Responsibility	Council authorizes Development Permits and Heritage Alteration Permits	Council authorizes Development Permits and Heritage Alteration Permits	Delegation of DPs and HAPs without Variances to Staff Specific Exclusions apply where Council is the approval authority	Delegation of DPs and HAPs without Variances to Staff	Delegation of DPs and HAPs with Variances to Staff Specific Exclusions apply where Council is the approval authority	Delegation of all DPs and HAPs to Staff
Exclusion Options			i) Exclude Geographic Areas (e.g. Old Town, Inner Harbour Waterfront) ii) Exclude projects based on scale (e.g. number of units, floor area, FSR, height) iii) Exclude specific uses (e.g. those which may be deemed to be controversial in nature) iv) Exclude heritage-designated buildings		i) Exclude specific variances (e.g. parking, front set back) ii) Exclude variances which exceed a specified threshold (e.g. 10%) iii) Exclude Geographic Areas (e.g. Old Town, Inner Harbour Waterfront) iv) Exclude projects based on scale (e.g. number of units, floor area, FSR, height) v) Exclude specific uses (e.g. those which may be deemed to be controversial in nature) vi) Exclude heritage-designated buildings	

APPENDIX 5: URBAN PLACE DESIGNATION MAP