Report to Planning and Environment Committee

To: **Chair and Members**
Planning and Environment Committee
From: **Scott Mathers, MPA, P.Eng.**
Deputy City Manager, Planning and Economic Development
Subject: **Streamline Development Approval Fund - Update**
Date: **October 23, 2023**

Recommendation

That, on the recommendation of the Director, Planning and Development, the following staff report on the Streamline Development Approval Fund - Update **BE RECEIVED** for information.

Executive Summary

The Province requires that recipients of the Streamline Development Approval Fund report back to the Province by no later than November 1, 2023, and include a staff report posted on a publicly accessible website summarizing the project, how the funds were spent, and measures or actions expected to be achieved. This staff report serves to fulfill the provincial requirement and identify projects that City staff have undertaken using the funding.

Linkage to the Corporate Strategic Plan

Council's 2023 to 2027 Strategic Plan for the City of London identifies "Housing and Homelessness" as a strategic area of focus. This includes increasing the efficiency and effectiveness of processes to support housing access and supply.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Planning and Environment Committee, October 3, 2023, Delegation of Authority – Part Lot Control.
- Planning and Environment Committee, May 1, 2023, Delegation of Authority – Subdivisions and Condominiums and Official Plan Amendment on policies for Public Meetings, City File# O-9606.
- Planning and Environment Committee, January 30, 2023, Streamline Development Approval Fund: Streamlining Development Approvals (2022) – Final Report.
- Planning and Environment Committee, April 25, 2022, Streamline Development Approval Fund: Continuous Improvement of Development Approvals – Single Source Contract Award.
- Planning and Environment Committee, April 25, 2022, Single Source Procurement of Consultant for an update to the Site Plan Control By-Law and Manual
- Strategic Priorities and Policy Committee, February 15, 2022, Streamline Development Approval Fund – Transfer Payment Agreement.

1.2 Background

- January 19, 2022 – the Province of Ontario announced an investment of $45 million to unlock housing supply by streamlining, digitizing, and modernizing approvals for residential development applications, with London being eligible to receive up to $1.75 million from the Streamlined Development Approval Fund.

- February 7, 2022 – the Province provided London the Transfer Payment Agreement and program guidelines, which requires a final report on the use of the funding and must include a publicly posted staff report.
- March 9, 2023 – the Province of Ontario amended the Transfer Payment Agreement, affording municipalities an opportunity to extend the funding window and the submission of their final report or November 01, 2023.

2.0   Discussion and Considerations

2.1   Eligible Projects Under the Streamline Development Approval Fund

The Province's Streamline Development Approval Fund covers 100% of the eligible costs, up to the approved amount of $1.75 million for London, on any number of qualifying projects. As specified in Schedule 'C' of the Province's Transfer Payment Agreement, the following projects were eligible to receive funding:

1. *Procuring consulting or fee-for-service resources to do one or more of the following:*
   a. *Identify and assist the Recipient to implement more efficient processes for the Recipient's development approvals.*
   b. *Prepare draft changes to the Recipient's zoning by-laws and explore opportunities to accommodate new housing development as-of-right.*
   c. *Implement or enhance implementation of a Community Planning Permits system with a housing component.*
   d. *Review council decision-making processes related to development approvals and make recommendations for streamlining those processes, including delegating certain planning decisions to the Recipient's staff where considered appropriate.*
   e. *Develop draft Community Improvement Plans that include housing incentives.*
   f. *Undertake studies to support new housing types.*
2. *Implementing e-permitting systems or online "Manage My Application" systems that provide for online status checking, interaction between the applicant and planners, fee payments, and ability to start additional permits and view agency comments.*
3. *Implementing systems that enable the use of online application forms, which allow for the submission of supporting documents, drawings, and studies as well as standardizes forms, drawings, studies and data submissions.*
4. *Developing online application guides to help applicants select a location, identify development type, and follow a step-by-step guide to determine application submission requirements.*
5. *Implementing online booking and web meetings systems for pre-consultation and planning meetings.*
6. *Purchasing data/application management/workflow software, digital drawing software, or 3D tools to assist with design and visualization of development applications.*
7. *Purchasing software or hardware to improve the Recipient's efficiency in handling payments related to development approvals, such as new hardware or software to handle online payments or credit card payments.*
8. *Standardizing terminology, application processes, and data requirements as well as developing terms of reference to improve the customer experience and position partners for simpler data sharing.*
9. *Hiring temporary staff to deal with backlogs related to development approvals, including inspectors and Committee of Adjustment clerks.*
10. *Implement diversity internship programs to support diversification of planning or building departments including internships for qualified students or new graduates with a focus on people with disabilities, Indigenous, Black, and racialized individuals, and people from diverse ethnic and cultural origins, sexual orientations, and gender identities and expressions.*

11. *Other initiatives to streamline the Recipient's development approval processes, with the written approval of the Province.*

2.2   Projects / Initiatives Undertaken

Given the above-noted criteria for projects under the Province's Streamline Development Approval Fund, Staff identified a range of projects to be undertaken, categorized as either: backlog, standardization, continuous improvement, streamlining, or technology.

2.2.1   Backlog

Additional Temporary Staff

The largest planned allocation of the available funding was to retain additional temporary staff to assist with the Planning and Development division's backlog of work. Additional resources included three (3) document coordinators to assist with administrative efforts; one (1) integrated land planning technologist to assist with updates to the Corporate City Map (including heritage mapping) and support current development applications; three (3) planners to assist with backlog and provide efficiencies on projects that are currently underway; two (2) development inspection technologists and (1) senior development inspection technologists to assist in the backlog of inspections that needed to be completed in the field to undergo releases of security and assist with compliance policy updates.

Estimated Cost	$900,000
Actual Cost	Total amount projected to be $782,213 (forecast to October 31, 2023)
Anticipated cost savings/outcomes	The additional temporary staff will have completed or significantly reduced the amount of backlog work, allowing for time to be re-allocated to newer applications and initiatives to support development approvals. As the streamlining work advanced, temporary staff became permanent as new openings from staff turnover became available. Depending on the timing of staff transitioning to permanent, it didn't provide enough suitable time to hire more temporary staff. Permanent staff weren't able to qualify for this funding. This is the main reason for the large discrepancy between estimated funding to actual/projected funding.

Consultant – Ecology Support

In addition to the above-noted temporary staffing positions, Staff also retained a consultant ecologist, Grounded Solutions, to provide additional ecological support with review of *Planning Act* applications.

Estimated Cost	$70,000
Actual Cost	$67,405 committed, $22,995 relieved to date
Anticipated cost savings/outcomes	Timely review and commenting on planning applications to keep files moving towards approval.

2.2.2   Standardization

Digitization of Historic Files

Staff retained Hybrid Document Systems Inc., to digitize historical physical documents on the 6th floor of City Hall. Digitized records are stored in a central location and allows for easier search of historical information associated with a property. In the current hybrid working arrangement (50% working in-office and 50% working remote), or if Staff

are working from home due to an illness, having digital records provides access to historical information at any time.

Estimated Cost	$28,000
Actual Cost	$100,666
Anticipated cost savings/outcomes	Reduced time to search files and retrieve historical information related to properties undergoing development applications. There is a significant difference between the original estimated cost and actual cost to undertake this project. The estimate was based on the cost of an assumed smaller scope of work, while the actual costs to complete this project came in higher than anticipated due to the volume of historical information that needed to be digitized.

2.2.3   Continuous Improvement

Process Mapping and Improvements

Staff retained EZ Sigma Group to undertake a review of all development application processes. The primary focus of the project was on mapping current processes and developing business analytics to identify performance and performance improvements. The project followed the DMAIC model (Define, Measure, Analyze, Improve, Control) for continuous improvement. The project strived to untangle 30 years of organizational structure, map the current state, and identify opportunities for improvement in the development approval processes. The final report on the outcome of this project was presented to the Planning and Environment Committee on January 30, 2023.

Estimated Cost	$445,000
Actual Cost	$457,131
Anticipated cost savings/outcomes	The current state of all development application processes mapped. Identification of several recommended improvements to be implemented in both near-term and long-term to improve process flow.

2.2.4   Streamlining

Site Plan Control Manual Update

Staff retained SvN Architects to update London's Site Plan Control Manual. The updated manual will incorporate the policies of The London Plan (particularly City Building policies); current guidelines, regulations, and best practices; incorporate both regulatory and guideline or performance-based standards for site development; and assist with both the submission and review of development applications by the development community, members of the public, and various City departments. To date, a draft of the updated Site Plan Control Manual is complete. Staff are currently undertaking a comprehensive review of the draft by-law to further streamline the document and avoid duplication of City standards and possible future conflicts between other City documents (e.g., ReThink Zoning).

Estimated Cost	$154,000
Actual Cost	$152,896
Anticipated cost savings/outcomes	The updated Site Plan Control Manual will be easier to comprehend, and align with current City policies and industry standards, which should reduce the overall number of resubmissions on Site Plan applications, leading to more timely approvals.

<u>Consultant – Archaeological Mapping</u>

The City has retained a consultant archaeologist, Archaeological Services Inc., to undertake additional integrity mapping of specific areas of re-development within London to better identify areas that retain potential for archaeological resources. This detailed analysis will confirm which areas retain integrity from an archaeological perspective and will narrow the focus for any archaeological assessments required through a development application. Overall, this exercise aims to reduce the number of re-development applications requiring archaeological assessments, which is a burden to homeowners seeking permit approvals.

Estimated Cost	$20,000
Actual Cost	$21,620 committed, $14,283 relieved to date
Anticipated cost savings/outcomes	Reduces the number of Minor Variance applications that would require archaeological assessment, which delay permit issuance.

<u>Delegations of Authority</u>

Subdivisions and Condominiums
On May 1, 2023, Staff brought forward a report to the Planning and Environment Committee recommending that Council delegate to Staff the approval of minor revisions to draft plans, extensions of draft plans, subdivision agreements with special provisions, and to change the requirement for public meetings for vacant land condominiums and common elements condominiums. The proposed changes are intended to streamline the overall development approval process by delegating items that can be completed administratively allowing development to proceed in a more timely manner.

Estimated Cost	n/a
Actual Cost	Outcome from EZ Sigma project (see 2.2.3 above)
Anticipated cost savings/outcomes	Process changes proposed aim to simplify the development approval process, with the expectation of reducing the process timeline by: • 30 calendar days for subdivisions • 45 calendar days for condominiums

Exemption from Part-Lot Control
On October 3, 2023, Staff brought forward a report to the Planning and Environment Committee recommending that Council delegate to Staff the authority to approve requests and pass by-laws to exempt all, or parts of, registered plans of subdivision from part-lot control. The proposed changes are intended to streamline the overall development approval process by delegating an administrative step, allowing development to proceed in a more timely manner.

Estimated Cost	n/a
Actual Cost	Outcome from EZ Sigma project (see 2.2.3 above)
Anticipated cost savings/outcomes	Process changes proposed aim to simplify the development approval process, with the expectation of reducing the process timeline by 60 calendar days.

2.2.5   Technology

<u>Software – Drawing Review</u>

Staff have acquired 161 Bluebeam Revu software license keys for use by staff reviewing development applications. The Bluebeam Revu software has a multitude of features that aid with plan reviews in both the application and permit stages of development. The Planning and Development division, the Building division, and subject matter experts within the Environment and Infrastructure divisions that assist with development application reviews have been afforded the opportunity to have the most

up to date version of the software. Ultimately, this upgrade will improve the overall delivery and quality of review comments being provided.

Estimated Cost	$80,000
Actual Cost	$110,133
Anticipated cost savings/outcomes	With more staff having access to the latest review software, it is anticipated that review time (especially on resubmissions) will be reduced, leading to quicker turn-around of files.

Software – Collaboration

Staff acquired the 'collaboration module' for the City's permitting, planning and licensing database, AMANDA. The module allows both internal and external commenting parties to easily provide application feedback that automatically updates the appropriate digital file without the individual needing to have a licence or full access to the system. This module will improve and expedite commenting processes for planning, licensing, and some permitting applications.

Estimated Cost	$20,000
Actual Cost	$16,000
Anticipated cost savings/outcomes	Reduced time to compile comments received from reviewers when commenting directly into the AMANDA database.

3.0   Financial Impact and Considerations

3.1   Impacts

To date, implementation of the above noted projects has had no financial impact to the City of London. The Province's Streamline Development Approval Fund and associated Transfer Payment Agreement has financed the full cost of these projects/initiatives, up to the approved amount for expenses incurred during the funding period (i.e., ending November 1, 2023).

3.1.1   Long-term Operating Expenses

New software licenses acquired for drawing review are subscription-based (i.e., renewed annually) as opposed to perpetual licences (one-time payment). The initial costs to upgrade to the subscription-based software was covered under the Province's funding. However, by upgrading to the most current version of the software, Staff were able to qualify for a promotional opportunity provided by the software vendor, securing a reduced year-over-year subscription rate, which will aid in lessening the overall operational impact to the divisions receiving the licenses.

Operating costs, including funds required to maintain software licenses for staff, are included in budgets being brought forward through the 2024-2027 Multi-Year Budget review.

3.2   Allocation of Funding

The below table is a simplified summary of the projects / initiatives that were undertaken within the maximum $1.75 million allocation provided by the Province's Streamline Development Approval Fund, including the estimated costs at the time of project scoping and actual costs incurred to date. Note that some projects / initiatives are still underway (e.g., staffing costs) and final costs will not be determined until the end of the funding period (i.e., November 1, 2023).

TABLE 1 - HIGH-LEVEL PROJECT COST SUMMARY

Project / Initiative	Estimated Cost	Actual Cost
Additional Temporary Staff	$900,000	* $782,213
Consultant – Ecology Support	$70,000	* $67,406
Digitization of Historic Files	$28,000	$100,666
Process Mapping and Improvements	$445,000	$457,132
Site Plan Control By-law Update	$154,000	$152,896
Consultant – Archaeological Mapping	$20,000	* $21,620
Software – Drawing Review	$80,000	$110,133
Software – Collaboration	$20,000	$16,000
Other	$33,000	$ 0
Total	**$1,750,000**	**$1,708,066**

*Note: where projects/initiatives are not complete, actual cost represents the total amount committed/forecast in JDE. Final costs to be reported to the Province at the time of submitting the final report.

4.0 Key Issues and Considerations

The majority of the Streamline Development Approval Fund was initially allocated to acquiring additional staff to address the current backlog. However, where permanent staff within the Planning and Development division have moved on to other career opportunities, temporary staff have been successful in backfilling the permanent vacancies, which in turn frees up anticipated costs within the fund. Furthermore, prior to the Province's amending agreement, the original end date of the fund was February 28, 2023, so newly vacant temporary positions were not filled given the limited time until project completion. When the funding was extended to November 1, 2023, staff continued to work within the existing compliment, filling permanent vacancies within the division, as opposed to hiring additional temporary staff.

Conclusion

Through the use of the Province's funding, Staff were able to advance several initiatives to modernize and streamline development approvals. Overall, this funding has aided in tackling the backlog of work within the Planning and Development division, establishing the current state of the development approvals process, and helped foster a culture of continuous improvement. Staff are now in a position to advance additional improvement opportunities that will enable more timely delivery of development approvals.

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