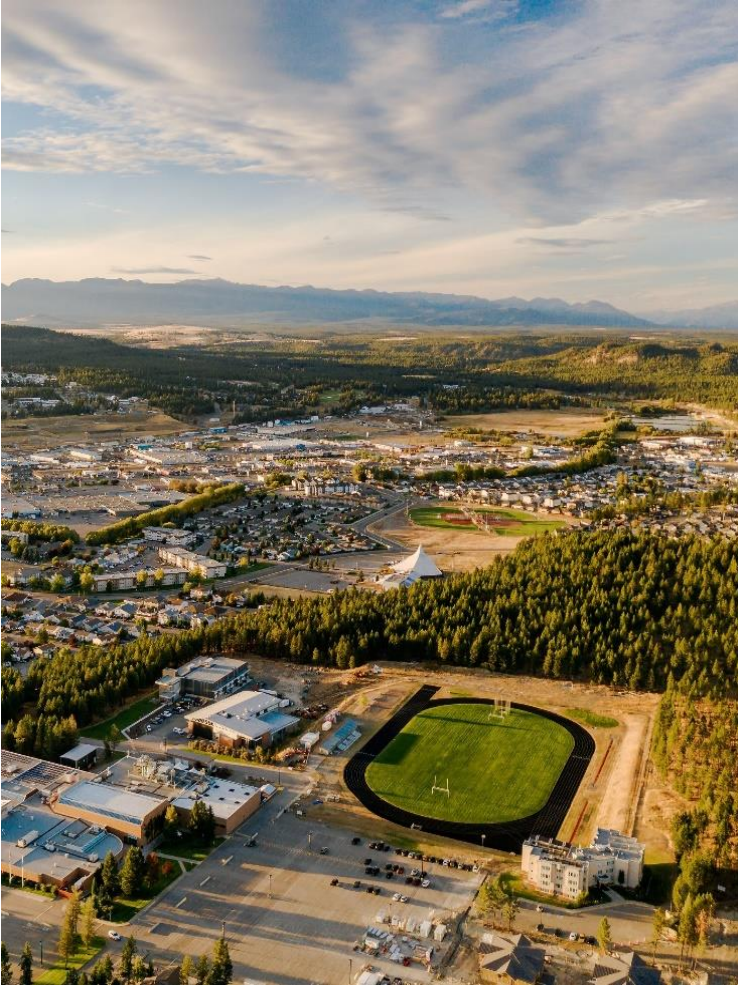


Photos courtesy of Cranbrook Tourism



COMMUNITY DEVELOPMENT

Comparative Review and Analysis

PREPARED FOR THE CITY OF CRANBROOK

To highlight the Engineering and Development
Services Department.

Prepared by
M. van Leusden
November 2021

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Executive Summary

The City of Cranbrook is striving to find ways to balance the demands of the building community without overwhelming the corporation's organizational capacity. Selected communities were contacted by the Engineering and Development Services throughout September and October 2021 to participate in an interview over the phone, or via electronic completion, to complete a "Development Approvals Process Community Research Survey". To meet the research objectives, mixed methodologies, both qualitative and quantitative, were utilized. Local Government Statistics Reports, BC Housing Reports, BC Development Statistics, web-based searches, and lists of fees and charges were used to gather numerical data. Interviews, document analysis, website reviews, and further discussions provided information on staffing, processes, and insights into a variety of communities' building and planning departments.

- Powel River
- Squamish
- Courtney
- Port Alberni
- Fernie
- Cochrane
- Vernon
- Penticton
- Salmon Arm
- Nelson
- Prince George
- Chilliwack
- Kelowna
- Fort St John
- Cranbrook

Key Findings

1. Increase staff resources:

Out of all municipalities surveyed 14 have expressed a shortage of staff resources to keep up with the current needs of the building community. When key staff are away permit processing stops costing the City time, revenue, customer service and education, and can damage working relationships with builders and developers. Smaller communities are experiencing growth from more people wanting to re-locate from larger communities. Developers have noticed the demand and are starting projects in areas that are finding themselves understaffed and ill equipped to support the rapid increase in development.

Securing staff is difficult and many municipal organizations have lost staff to the Building and Development Industry. Many highly qualified Inspectors are in industry due to higher pay as they are utilized in larger centers during Major Development across the province. It is key for rural communities to cultivate and solicit Building Inspectors and additional staff to join their Engineering, Planning and Development departments. The City of Cranbrook has the smallest Engineering and Development Department of all surveyed communities.

2. Digitizing departmental processes:

In all other Regional Hub communities surveyed building and development applications are submitted, tracked, referred (internally and externally), and interdepartmentally accessible through digital software. Of those communities using the software all were either in the process of, or had previously implemented a public portal for builders and developers to monitor where their application was in the approval process. These systems have led to increased transparency and continued positive interactions with the building community.

In communities with comparable size population most the staff were still using paper format and manual email for departmental processes, utilizing their administrative staff to perform those duties. One notable community, Port

Alberni, has a software system that they have not been able to implement due to a lack of staff resources for training and implementation.

3. Strategic assessment of fees and charges:

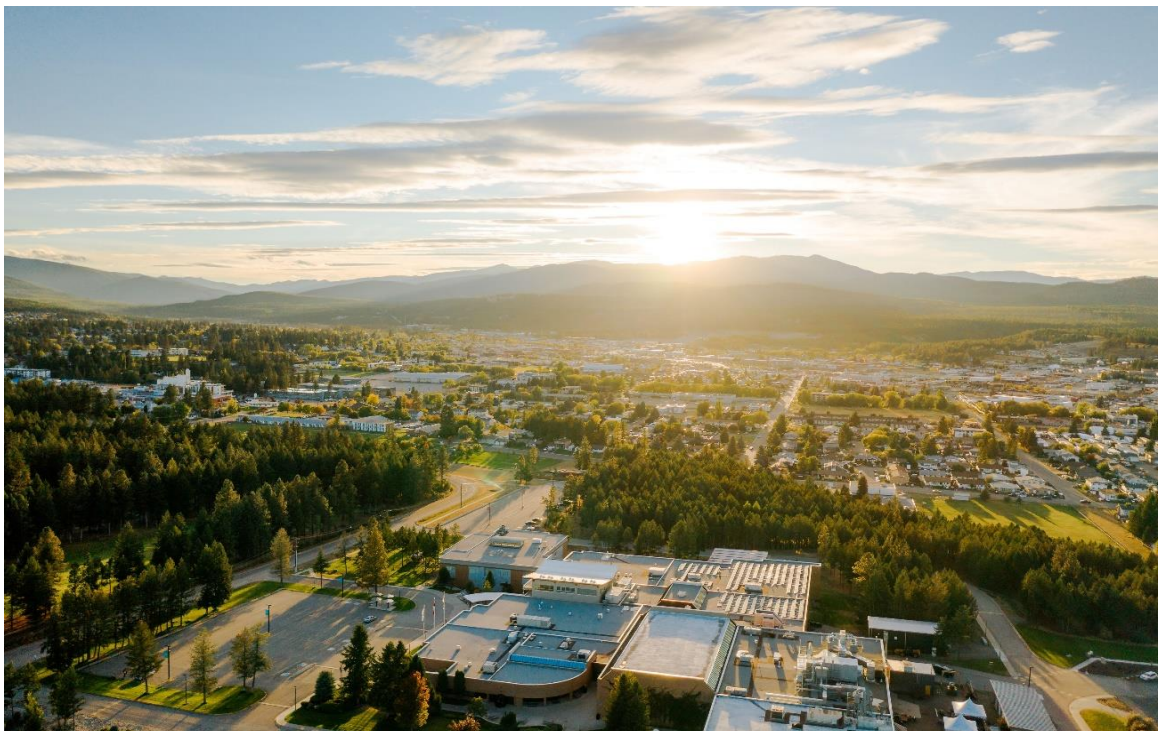
The City of Cranbrook has lower fees, charges, DCCs and CAC's than most communities selected for data analysis. All fees and charges in relation to building and development should be reviewed, and potentially amended, annually to remain consistent with other BC communities.

4. Best Practices:

All communities pointed to their respective Housing Needs Reports, Zoning, Official Community Plan, Development Cost Charges and Development Procedures Bylaws, as their best practices. All bylaws are based off Provincial Legislation and Policies. When builders and developers stay within the existing framework outlined by bylaw the process is much quicker and more efficient.

5. Innovation:

Cities surveyed all have innovative systems and approaches that have impacted their processes and improved efficiencies within the development approval process. Utilizing software, enhanced interdepartmental communications, review committees and meetings, and involving developers in the process, have, together, made the biggest impact on the ability to provide quality, community centered services to growing municipalities. All innovations will require an increase in staffing resources to accomplish the critical changes needed to maintain current processing times, enhance internal and external communication, implement software systems, review processes and fees, and continue to engage the local building community in a positive way.

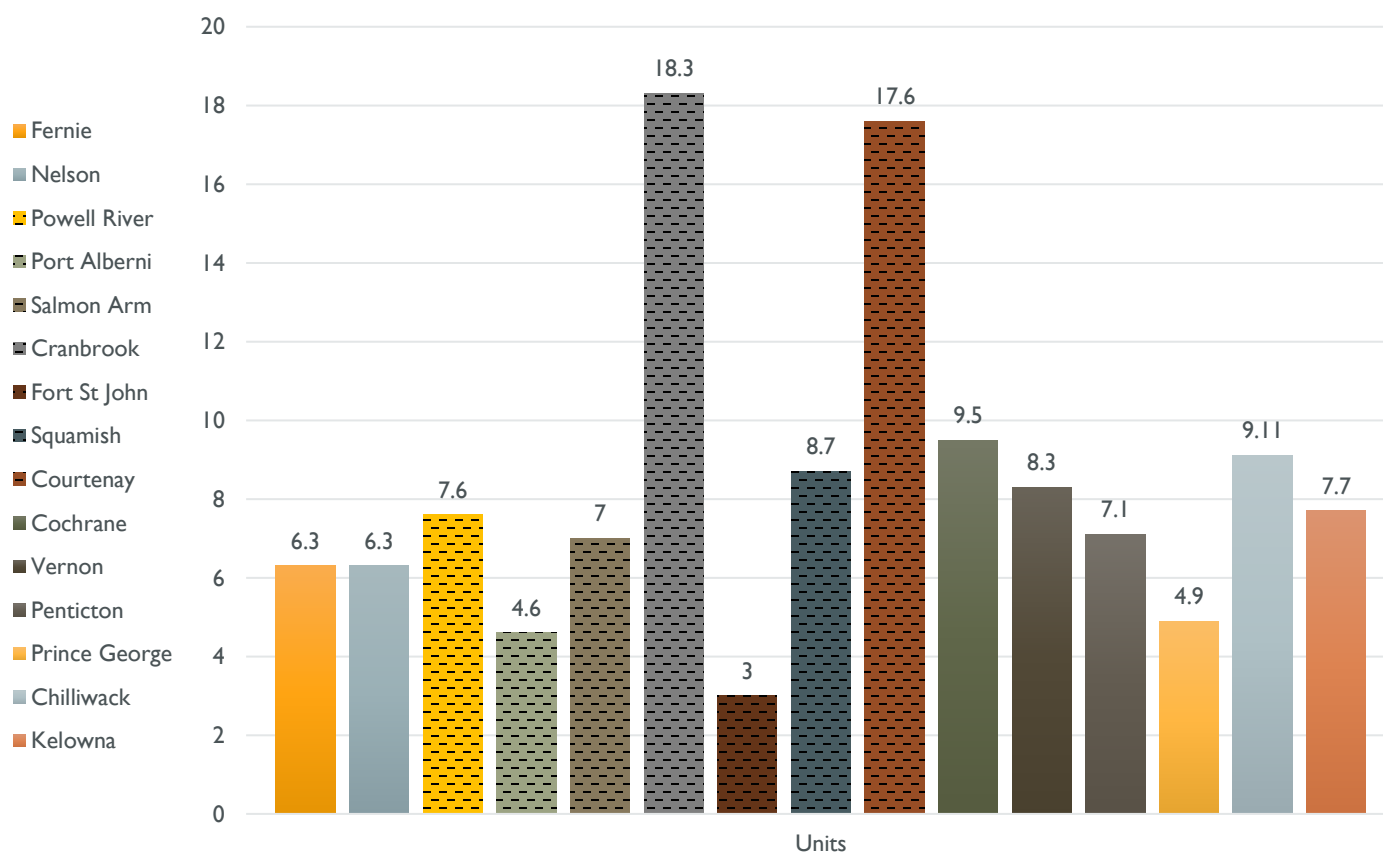


Survey Responses

Housing and Growth

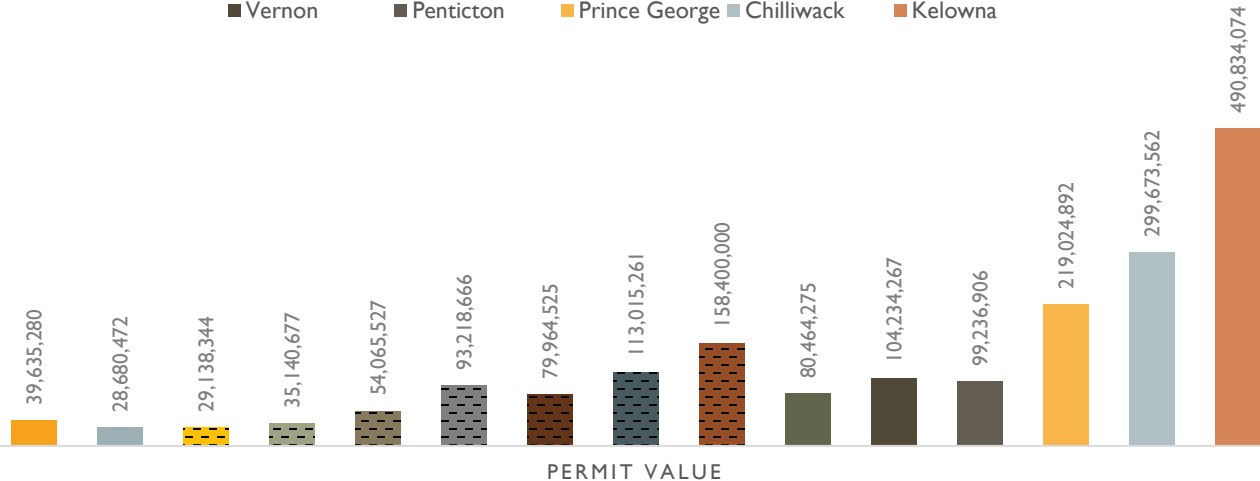
Expectations of development have changed and now regularly address affordable housing and climate mitigation. The Community's development approvals play an important role in ensuring community interests are met and that developments are healthy and safe. (DARP, 2018). A measure of growth in a community is the creation of new housing units. In 2020 the City of Cranbrook saw an increase in 18.3 housing units per 1000 people. This is the highest rate of all communities surveyed.

2020 Housing Units Created per 1000 Population

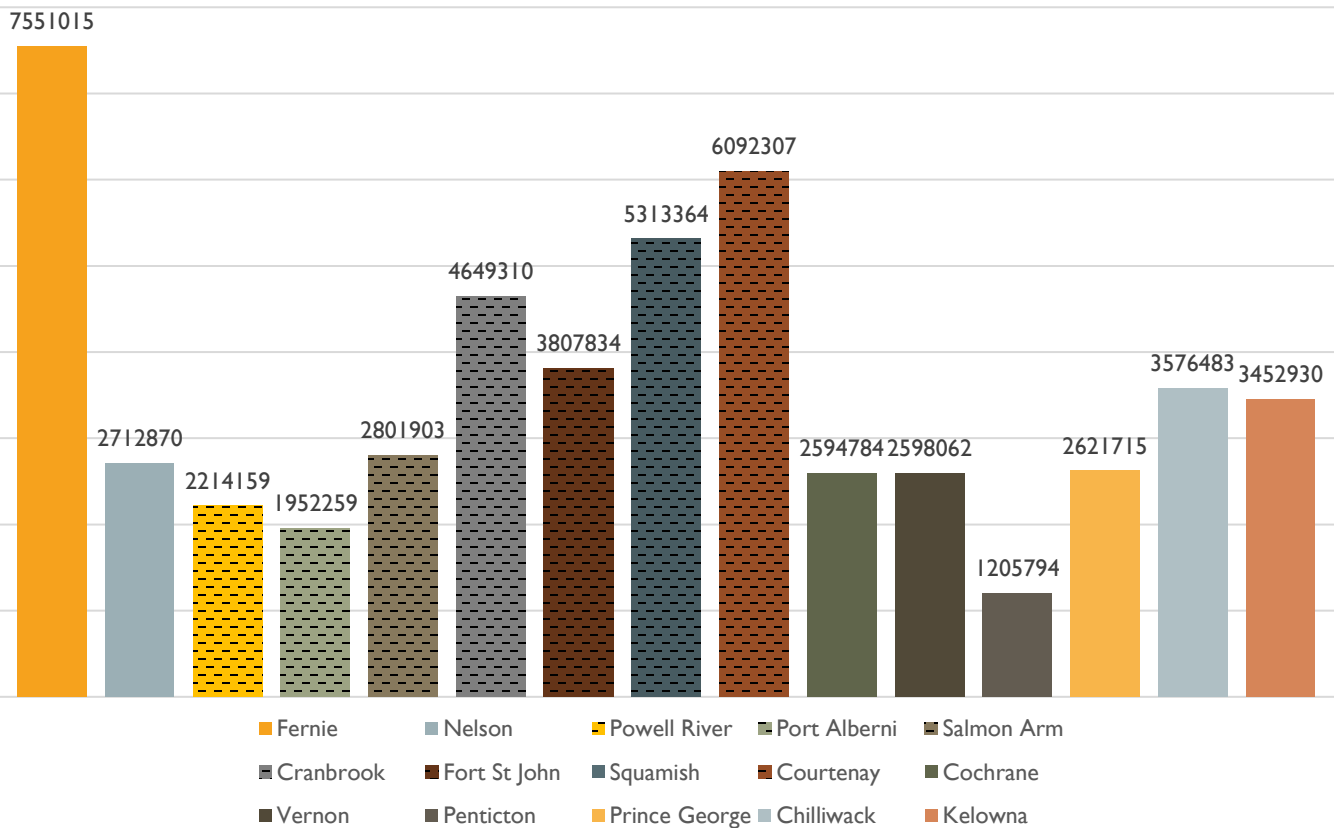


2020 PERMIT VALUES

Fernie Nelson Powell River Port Alberni Salmon Arm
 Cranbrook Fort St John Squamish Courtenay Cochrane
 Vernon Penticton Prince George Chilliwack Kelowna

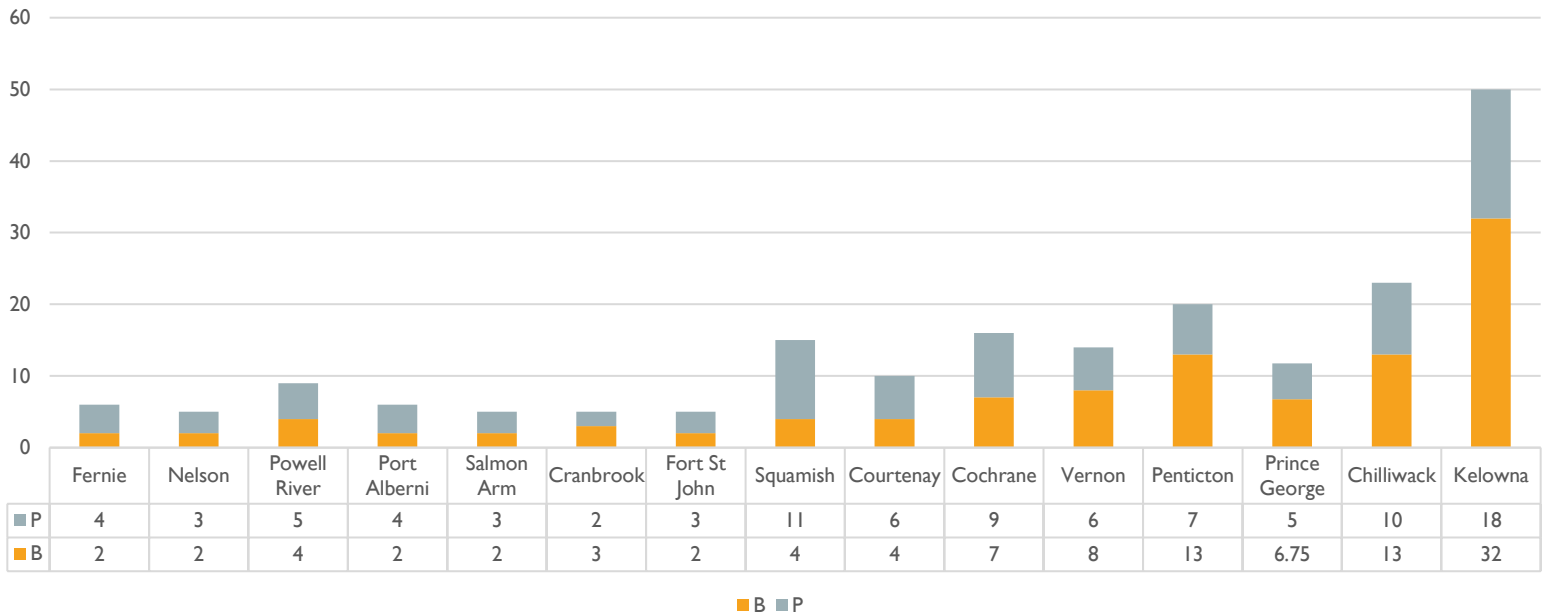


Permit Values per 1000 Population



Department Staff

Staffing Levels



The City of Cranbrook have the lowest number of staff in per department when compared to all surveyed communities. Smaller municipalities have all expressed a shortage of staff resources to keep up with the current needs of the building community. When staff become ill, take vacation time or create a vacancy other personnel are stretched thin to absorb tasks and maintain the development approvals process until critical staff return or are trained. In Cranbrook the ability to carry on the processes, when staff are away, is not possible at the current staff capacity.

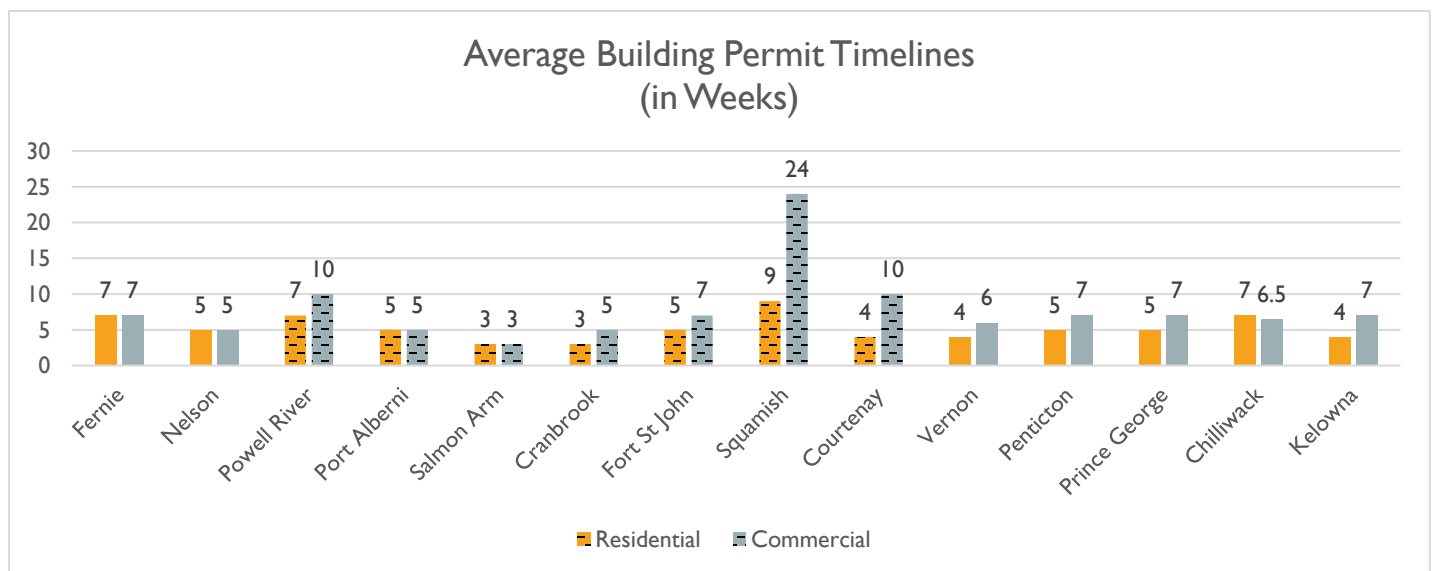
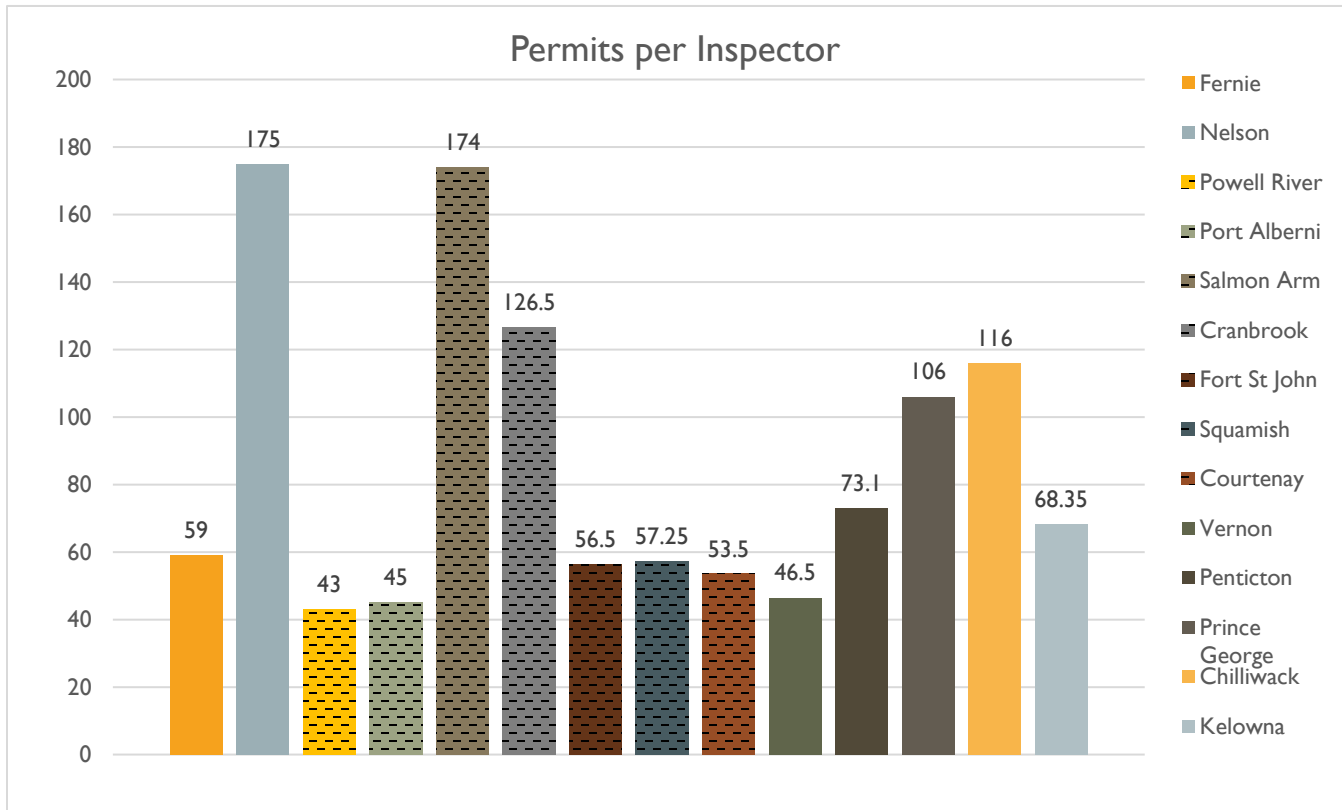
Building and Inspections

Building Permits are an economic indicator that helps measure the demand in the real estate market and can estimate future performance of the construction industry. The total amount of Building Permits provides an overview of the workload on each respective department. Each Local Government provides members of, Council and Boards, and the wider community, with the required statistics through a combination of monthly, quarterly, annual, financial and community reports. These are predominantly available on the respective City Website with very few cities not posting them electronically. The City of Cranbrook Building and Inspection team:

- is 3rd in Permits processed per Inspector and surpasses the top 2 communities in permit value, an indicator of the complexity of the projects.
- Has fastest turnaround time for Residential Permits, Part 9, (tied with Salmon Arm)
- is 2nd in turnaround time for Commercial Permits, Part 3, (tied with Nelson and Port Alberni)

- has lowest per capita Building Inspectors
- has less administrative support with one .5 PT allotted compared to 1 FTE or more
- is 4th Highest Permit Value per 1000 population

Permits



Inspections

Many local governments employ Building Officials that perform Building Inspections in accordance with their level of certification, training, and experience. Inspections can range from single residential construction and renovation to complex multi-use facilities. Local governments can contract out building inspections during staff shortages, or vacations, and can utilize Registered Professionals and will review for approval signed and submitted schedules and standards reporting for engineered buildings. Building Officials employed by local government will perform on-site inspections for Footings, Fire, and Final Inspections for all Commercial Building Permits.

- 5 Communities utilize both Registered Professionals and Building Officials.
- 3 Communities rely on external Registered Professionals reports and schedules.
- 2 Communities rely solely on in-house Building Officials and Certified Professionals.



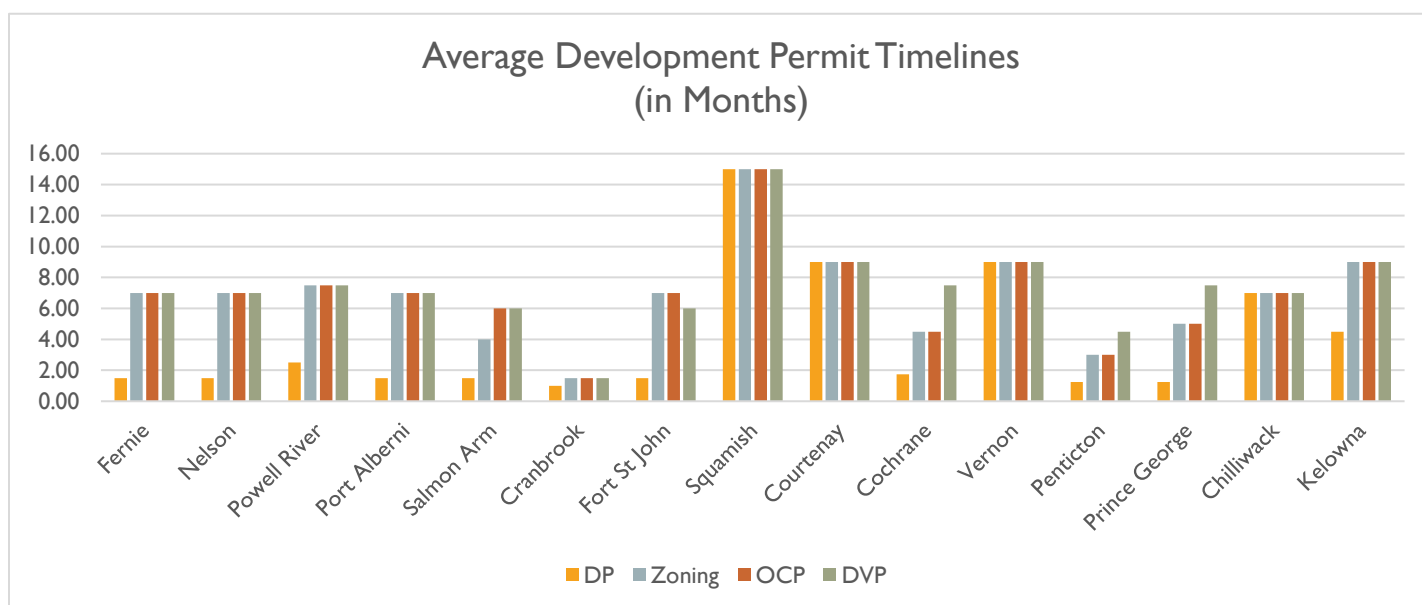
Planning and Development

There are several different types of permits that may be required prior to breaking ground on a new building or development, these are regulated through the *Local Government Act*. Within a Development Permit Area, as identified through OCP and Zoning Bylaws, a property owner must get a development permit before:

- Subdividing land
- Constructing, adding to or altering a building within a designated development permit area

A local government may issue a development permit that varies or supplements a subdivision or zoning bylaw (gov.bc.ca).

Development Permit Timelines



- The Planning and Development staff has the fastest turnaround time from a completed application submission to the issuance of Development approvals in all areas: Development Permits, Development Variance Permits, Zoning Bylaw Amendments and Official Community Plan Amendments.
- All communities expressed shortages in staffing resources to keep up with the current needs of the building community.

Processes

Efficiency and consistency are key in maintaining current levels of applications processed and permits approved. Local Governments across Canada are all looking for ways to streamline processes, increase efficiency, utilize government policies and legislative resources, acquire approvals for grants and funding initiatives, and meet the needs of their communities. Each local government outlines the requirements and processes for development approvals unique to their community. These can widely vary between local governments, including adjacent communities and those with similar population demographics, which can add a layer of complexity for developers (B. Nicholls, 2016).

Digital Processing System

Of the community surveyed 9/10 are utilizing a digital processing system within their building departments and 8/10 in their development departments. All communities using digital processing use the Tempest/Prospero Software. This improved transparency for the entire process. The remaining two communities, not currently utilizing software, are currently looking into products to implement in the near future. Online and digital processing has significantly reduced the administrative time taken to that is needed to open and monitor an application file. The Tempest/Prospero Software has a MyCity function that Squamish, Kelowna, Courtney, Chilliwack and Prince George are utilizing. MyCity can be used as a public portal for online submission and applications. It provides transparent information on building permits, developments, application status and statistics, that are current in real time as staff update project files.

Public Engagement

Many municipalities have turned to social media and online public hearings, and open houses to supplement the written and print published notices requirements under the *Local Government Act*. 60% surveyed had the Developers of the project directly involved in, or leading, the engagement process. Local Government Act Section 464 legislates that in British Columbia a public hearing is required when a proposed development project requires a variance in:

- An Official Community Plan Bylaw
- A Zoning Bylaw
- Early termination of land use contract

Public Notice is given when development impacts surrounding properties. There is no clear framework for Best Practice in public engagement. Some common practices between all the survey respondents are: sending letters, posting on social media sites, and publishing in newspapers when a scheduled Council Meeting will discussing these amendments and development variances.

Delegation of Authority of Regional Leaders

In Penticton and Squamish, Municipal and District, staff have the most authority in the ability to approve or deny development applications. Half of the communities did not have authority to approve minor variances on building and land use while 80% are unable to approve Infill Housing and carriage or laneway developments. Cranbrook staff have the third highest amount of delegated authority from Council.

| Community | No Variance | Minor Variance Building | Minor Form and Character | Design | Secondary Suites | 4-Plexes | Carriage Houses/Infill Housing |
|---------------|-------------|-------------------------|--------------------------|--------|------------------|----------|--------------------------------|
| Powell River | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ |
| Cranbrook | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ |
| Squamish | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Cochrane | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✗ |
| Courtenay | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✗ |
| Vernon | ✓ | ✗ | ✓ | ✗ | ✓ | ✓ | ✗ |
| Penticton | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Prince George | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✗ |
| Chilliwack | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✗ |
| Kelowna | ✓ | ✗ | ✓ | ✗ | ✓ | ✓ | ✗ |

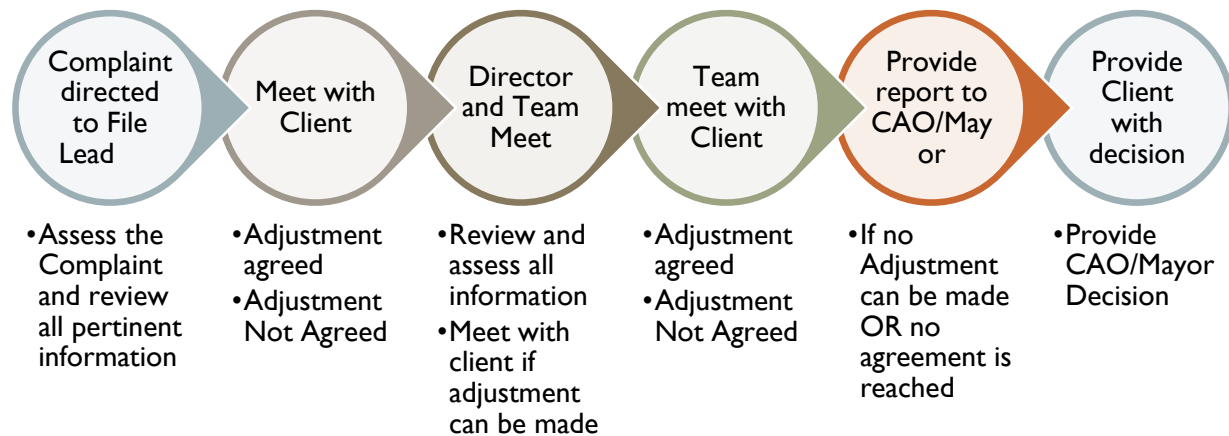
There are no instances, in any surveyed community, where a development is excluded from requiring a development permit. Instances where a Development Permits require a Public Hearing and are approved or defeated by the local Board of Council:

- Submitted concurrently with an application to amend the Official Community Plan or Zoning Bylaw
- Development Variance Permit
- Temporary Use

Contracts and consulting agreements, once approved in the budget and within the purchasing policies, go out to tender and in many cases Senior Management within local governments are able to choose the appropriate vendor and enter into an agreement. If the cost exceeds the prior approved budget then approval goes back to Council.

Dispute Resolution

Dispute resolution while a project is in the application and approval stages is consistent through every community surveyed. The timelines for a developer to dispute a decision by staff or Council varied, by bylaw, between 15-30 days after the decision was made in accordance with the *Local Government Act*.



Best Practice Guides

Local governments have access to Best Practice Guides, Policies, Reports and Legislative Requirements that include, but are not limited to:

- BC Building Code
- BC Energy Step Code
- DCC Best Practice Guide
- CAC Best Practice Guide
- OCP Provincial Policy
- Housing Needs Reports
- Community Charter
- Local Government Act

Every Community surveyed pointed to these guiding documents as integral to implementing Bylaws, processes, and requirements. Every community commented that their Best Practice Guides are their respective Building, OCP, Zoning, DCC and Development Procedure Bylaws. When builders and developers stay within the existing framework outlined by bylaw the process is much quicker and more efficient.

Fees, Charges and Funding

The City of Cranbrook has low fees and charges when compared to reviewed cities. Fees and charges for building and development permits and applications are based on the estimated costs of processing, inspection, advertising and administration cost of the local government (LGA).

The DCC Best Practice Guide outlines the need for consistency in the development of DCC programs in how to calculate and administer the bylaw within British Columbia.

- Minor amendments to the DCC Bylaw adjust the charges to reflect current construction costs, fluctuations in land values and the status of Government grants. It is recommended that this type of amendment be made annually following review of the Annual Financial Plans.
- Major amendments involve a full review and should be completed no more than once every five years. Because DCC's are strongly linked to the Official Community Plan it is suggested that a full review be completed after an OCP Review or update. Strategic planning can incorporate sequential reviews of the OCP, capital planning process and the DCC Bylaw. (Ministry of Community Services 2005)

CAC guidelines are more nuanced and need to be carefully assessed to avoid legal risk and seek modest contributions that are strategically planned to help balance community need for amenities with the needs of continued project viability with the building and development community. Determining the appropriate level of CACs for amenities is challenging and needs to be transparent for all stakeholders.

There are significant government grants that can be applied for by local government in the building and development realm. These can be utilized for system updates, process reviews, and social concerns within BC communities.

Innovations

Due to COVID 19 and the need to switch from in person to web based technology communities had to pivot to electronic only submissions for permit applications, virtual meetings, and web based training and education. Community members are now used to having endless amounts of information. The demand for increased transparency from all levels of government is growing. To meet these evolving expectations and the continued need for efficiency and accountability, additional staff are being hired and systems are being reviewed and revised to include:

- User friendly and intuitive online software systems and Public Portals
- Educational materials on the City website: videos, resources, checklists
- Pre-Application Meetings
- Technical Review Committees
- Regularly scheduled Project Meetings
- Online Payment and processing options
- Fast Track permits for small projects eg. Swimming Pools (Kelowna and Penticton)
- Involving Developers, Professionals and relevant stakeholders in the conversation
- Delegating authority strategically to staff
- Having a Technical Review Committee

Appendix A: Community Comparison Data

| | Fernie | Nelson | Powell River | Port Alberni | Salmon Arm | Cranbrook | Fort St John | Squamish | Courtenay | Cochrane | Vernon | Penticton | Prince George | Chilliwack | Kelowna |
|--------------------------------|------------|------------|--------------|--------------|------------|------------|--------------|-------------|-------------|------------|-------------|------------|---------------|-------------|-------------|
| Population | 5249 | 10,572 | 13,157 | 18,000 | 19,296 | 20,047 | 21,000 | 21,273 | 26,000 | 32,010 | 40,116 | 46,885 | 82,290 | 83,788 | 142,146 |
| Building and Inspection | | | | | | | | | | | | | | | |
| Staffing | 2 | 2 | 4 | 2 | 2 | 2 | 2 (4) | 4 + 1 | 4 + 1 | 4 + 3 | 8 | 13 | 6.75 | 13 | 32 |
| Building Permits 2020 | 118 | 350 | 129 | 90 | 348 | 253 | 113 | 229 | 214 | 1018 | 372 | 731 | 533 | 813 | 2187 |
| Value of Permits 2020 | 39,635,280 | 28,680,472 | 29,138,344 | 35,140,677 | 54,065,527 | 93,218,666 | 79,964,525 | 113,015,261 | 158,400,000 | 80,464,275 | 104,234,267 | 99,236,906 | 220,756,216 | 299,673,562 | 490,834,074 |
| Commercial Timelines | 6-8wks | 4-6 wks | 8-12wks | 4-6 wks | 3 wks | 4-6 wks | 6-8 wks | 6-9 mnths | 8-12 wks | 2 wks | 6 wks | 8-10wks | 4-6 wks | 5-8wks | 6-8 wks |
| Residential Timelines | 6-8 wks | 4-6 wks | 6-8wks | 4-6 wks | 3 wks | 2-3 wks | 4-6 wks | 8-10 wks | 4-6wks | 2 wks | 4 wks | 4-6 wks | 4-6 wks | 8wks | 3-5wks |
| Planning and Development | | | | | | | | | | | | | | | |
| Staffing | 4 | 3 | 5 | 4 | 3 | 2 | 3+1 | 11 | 6 | 9 | 6 | 7 | 5 | 10 | 18 |
| Housing Units Created 2020 | 33 | 67 | 100 | 83 | 135 | 367 | 64 | 185 | 458 | 303 | 331 | 333 | 405 | 764 | 1096 |
| Timeline for OCP Amendment | 6-8mnths | 6-8mnths | 6-9mnths | 6-8mnths | 4mnths | 1-2mnths | 6-8mnths | 12-18mnths | 6-12mnths | 3-6mnths | 6-12mnths | 3mnths | 4-6 mnths | 6-8mnths | 8-10mnths |
| Timeline for Zoning Amendments | 6-8mnths | 6-8mnths | 6-9mnths | 6-8mnths | 6mnths | 1-2mnths | 6-8mnths | 12-18mnths | 6-12mnths | 3-6mnths | 6-12mnths | 3mnths | 4-6mnths | 6-8mnths | 8-10mnths |
| Timeline for issuing DV Permit | 6mnths | 6mnths | 6-9 mnths | 6mnths | 6mnths | 2-4mnths | 6mnths | 12-18mnths | 6-12mnths | 6-9 mnths | 6-12mnths | 3-6 mnths | 6-8mnths | 6-8mnths | 8-10 mnths |

Appendix B: Community Fees and Charges

Single Family Residential

500K construction value: No variances or development permits

| Permit Type | Cranbrook | Prince George | Vernon | Kelowna |
|--------------------------------|-----------|---------------|--------|----------|
| Building | 3571 | 3550 | 5000 | 5209.5 |
| Plumbing | 200 | 206 | 200 | |
| Water hookup | 15 | 70 | | |
| Sewer hookup | 50 | 70 | 90 | |
| Water meter | | | 600 | |
| Estimated cost Building Permit | \$3836 | \$3896 | \$5890 | \$5209.5 |

Commercial

600K construction value: No variances or development permits

| Permit Type | Cranbrook | Prince George | Vernon | Kelowna |
|--------------------------------|-----------|---------------|--------|----------|
| Building | 4321 | 4000 | 6000 | 9149.5 |
| Plumbing | 200 | 206 | 200 | |
| Water hookup | 15 | 70 | | |
| Sewer hookup | 50 | 70 | 90 | |
| Water meter | | | 600 | |
| Estimated cost Building Permit | \$4586 | \$4346 | \$6890 | \$9149.5 |

Development Permit Fees

| Permit Type | Cranbrook | Prince George | Vernon | Kelowna |
|-------------------------|-----------|----------------------------|--------|--|
| Development Application | 600 | 800 + 20/100m ² | 725 | 300 – Minor 1025 – Single lot |
| Commercial | 300 | | 1100 | 1550 + 15/lot |
| DVP | 400 | 500 | 1100 | 1620 |
| OCP Amendment | 1200 | 1400 + 4/100m ² | 1700 | 1975 – Minor 3630 - Major |
| Zoning Amendment | 1200 | 2000 + 5/100m ² | 1400 | 2000 – other zones 3630 – comp zone |
| OCP/Zoning | 1600 | | | |
| Board of Variance | 300 | | 450 | 1200 |

*City of Kelowna also requires Urban Design Development Permits to ensure development aligns with OCP. This adds additional costs that are not represented in this chart.

*City of Prince George Notification costs are \$800 for Public Hearing and \$400 for Council Considerations of permit issuance.

Appendix C: Developmental Approvals Process Community Research Survey

Development Approvals Process Community Research Survey

The City of Cranbrook is conducting this survey as we are striving to find a consistent and fair regulatory framework for the development community while balancing the Corporation's ability to balance the demands of the building community and organizational capacity. Our efforts are geared towards identifying best practices, process efficiency, and fee structures that are predictable and optimized for consistency and efficiency.

We would appreciate your assistance in participating in this survey so we can identify the areas that are going well and incorporate similar successes into our process.

1. What is your number of Development Permits issued annually?
2. What is the number of housing units created annually?
3. Are your planning studies generally handled in house or externally? I.e) OCP updates, Zoning updates, Master plans
4. Do you monitor developers work in house or do you hire consultants or do you rely on the developers standards reporting?
5. What is your number of Building Permits issued annually?
6. What is the Value of the Building Permits that were issued annually?
7. Are building inspections/approvals conducted in house or contracted out?
8. What are the number of staff in your Planning and Development Department?
9. What are the Number of staff in your Building Department?
10. What are your timelines from receipt of completed application to Development issuance for processing?
11. What are your timelines from receipt of completed application to OCP Amendment?
12. What are your timelines from receipt of application to Council approval for zoning amendments?
13. What are your timelines from receipt of building permit application to permit approval?
14. In which circumstances does your community allow delegation of authority?
15. In which approvals are required to obtain Council approval?
16. What developments are excluded from requiring a development permit?
17. Do contracts and consulting agreements go to Council for approval?
18. What funding opportunities do you employ in your community? DCC's, Community Amenity Contributions, (Anything else?) in order to secure more reliable funding for social objectives?
19. Do you have a digital permit tracking system? How is this system working for you?
20. Do you require developers to undertake public engagement?
21. How do you resolve complaints/disputes?
22. Do you have and follow a best practices guide? Would you be willing to share this guide with us?
23. Do you have examples of an efficient and effective development approval innovation that you are enjoying?

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