Item No. 7

Halifax Regional Council
December 9, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: _____

Paul Dunphy, Director of Community Development

DATE: December 1, 2008

SUBJECT: **Planning Application Processing Times**

INFORMATION REPORT

ORIGIN

The information contained in this report on planning processing times is required for HRM's Business Planning purposes and the annual review of HRM's Economic Strategy.

SUMMARY

To assist the Chamber in preparing its "State of the Economy" report, Community Development have produced the 2007/08 data on HRM planning processing times for planning applications to evaluate these against the Economic Strategy. The statistics indicate that processing times for applications received and processed in the past year indicate that staff are meeting processing targets. However, the overall average processing times in 2007/08 is still higher than the set targets because of the backlog of cases which staff raised as an issue in it's previous report. Now that staff have cleaned-up most of the backlog of cases, processing times in the future will improve.

It should also be pointed out Council has approved a number of significant commercial and residential developments including Tex Park, Brewery Market, The Trillium (South Park St.), Kings Wharf, and many other smaller projects, which have yet to see construction begin.

BACKGROUND

Each year Halifax Chamber of Commerce holds a "State of the Economy" event to report on progress made in meeting the priority actions and other aspects of the Economic Strategy. Two aspects of the Economic Strategy important to Planning Services are benchmarking planning applications and their approval times to five benchmarked cities and to reduce approval times where possible. Attachment A describes the types of applications reviewed.

Benchmarking
In early 2008, Planning Services benchmarked its planning application processing times to other cities across Canada. Due to the lack of readily available data on actual processing timelines in the benchmarked cities, staff were only able to collect information on processing targets or average timelines. Therefore, it is important for Council to understand that the benchmarking presented previously does not represent a direct comparison but still represents a reasonable guide for comparison. Attachment B contains the benchmarking data complied for the benchmarked cities. The results indicated that HRM's processing times, on average, are longer than the processing targets reported by the benchmarked cities.

To truly compare HRM's processing times to other cities two important factors must be kept in mind. The first is the complexity of the application which includes the size or impact a development may have on a community and some applications spark unusually high levels of controversy. As a result, complex applications within other Canadian cities do not always achieve their desired processing targets, including those cities with legislative time frames.

The processing targets for the benchmarked cities could not be easily compared to HRM's standards due to planning processes varying from city to city. The approval processes used by other municipalities varies across Canada. Therefore, making it difficult to compare HRM's processes with

others. Some key differences are:

i) <u>Public Consultation and Transparency</u>: Most cities have some form of public consultation. However, HRM requires a public consultation for all planning applications.

ii) <u>Development Agreements</u>: HRM uses the development agreement process more than most cities across Canada which requires more consultation and negotiation time than other processes.

iii) <u>Frequency of Council Meetings</u>: The number and frequency of meetings (such as meetings of Standing Committees or Council) were important factors in whether or not the cities meet their processing targets.

Reducing Approval Times

In response to the benchmarking exercise, staff outlined reduced processing times that could be achieved over the next 2 years for each type of planning application. Attachment C contains staff's processing targets which are based solely upon staff initiating Administrative actions, as outlined in the February 12, 2008 report. If Council wishes to establish processing targets closer to the benchmarked cities, Council approval would be required to initiate policy and political changes as indicated in the report. To date, no such changes have occurred.

Approved Developments

The Chamber of Commerce has expressed concern in the past that development approval time-lines have had a negative impact on approvals in HRM. Council should be aware that there are approved projects with a combined value of between $1.5 and 2 billion dollars which have not been built. These projects include Tex Park, Brewery Market, The Trillium (South Park St.), Kings Wharf, and many other smaller projects.

DISCUSSION

HRM Processing Timelines 2007/2008:
If one reviews only those applications received within the last year, the data indicates that staff are operating at the set targets.

HRM Processing Times - *NEW APPLICATIONS*
(Sept. 1, 2007 to August 31, 2008)

Type of Application	Sept. 1, 2007 to Aug. 31, 2008 (Avg # of Months)	HRM Planning Processing Targets (Months)
Municipal Planning Strategy (MPS) Amendments	6	**10**
Site Specific MPS Amendment & Development Agreements	13	**11**
Development Agreements	5	**8**

Rezonings	5	**6**
Zone Amendments	5	**6**

NOTE: **ALL** data includes planning applications still in progress during the specified time period

Staff have also collected and reviewed planning application processing data for those applications received this year and previously which were completed between September 2007 to August 2008. The table below compares the new data to the base processing data and last years results which indicates that the average processing times have increased overall, except for development agreement applications.

HRM Processing Times
(July 2003 to September 2008)

Type of Application	July 2003 to August 31, 2006 (Avg # of Months)	Sept. 1, 2006 to August 31, 2007 (Avg # of Months)	Sept. 1, 2007 to August 31, 2008 (Avg # of Months)	HRM Planning Processing Targets (Months)
Municipal Planning Strategy (MPS) Amendments	15	9	14	**10**
Site Specific MPS Amendment & Development Agreements	14	10.5	20	**11**
Development Agreements	10	8	8	**8**
Rezonings	8.5	7	8	**6**
Zone Amendments	8	5.5	7.5	**6**

NOTE: **ALL** data includes planning applications still in progress during the specified time period

As stated in the February 12, 2008 staff report, a major issue facing Planning Services in 2007 and 2008 was the backlog of planning cases due to the lack of planners in recent years. The recent hire of five new planners in 2007 has allowed Planning Services to process and complete most of the backlog cases. Due to the amount of time these backlog cases have been opened, average processing times far exceed set target time lines. As the number of backlog cases are reduced, processing times will also reduce.

A number of the backlog cases are either MPS amendments or MPS amendments and development agreement applications. This is reflected in the processing times with both categories of applications significantly exceeding HRM target timelines.

Of the five categories of planning applications, only development agreement met the specified timeline

target. Further, development agreements represented approximately half (45%) of all planning applications processed in 2007/08.

Actions for Reducing Processing Timelines:
Staff recognize that average processing times for planning applications need to improve. In order to reduce processing timelines, changes need to occur at both the administrative, policy, and political levels.

Administrative Actions: As stated in the February 12, 2008 staff report, Planning Services have taken actions to reduce processing times and these include:

T   Hiring five additional planners - average case load has been reduced;
T   Hired on-site supervisors to facilitate decision making, particularly with more complex cases;
T   Established a pre-application process to educate applicants on information requirements - approximately 20% of applicants utilized this educational tool;
T   Initiated in-house staff development training sessions - continuous training programs have been established;
T   Ongoing discussions with development industry representatives;
T   Requirement for "complete" applications; and
T   Priority on the elimination of the backlog of cases.

In addition to the above actions, Planning Services has realized that one additional administrative change is required and that is the use of a *"Case Management System"*. Presently, HRM Development Services uses an electronic case management system to track permit applications. Planning Services is in the process of establishing a similar case management system for planning applications. The system will allow HRM to evaluate processing times, better detect delays, set additional timelines (targets) for the various steps in the planning process, and allow staff to take the steps to correct areas of delay. The system is scheduled to be initiated in late 2009 due to operational resources and required training.

Policy Actions: Regional Council has initiated two major policy actions which staff are actively working on:

i) *HRM by Design:* Without doubt, the most significant step we can take, and the one which appears to be most eagerly anticipated by the development industry and the public is to establish new rules for development in the Halifax Central Business District. The "HRM by Design" project will provide greater clarity in policy on developments in the Halifax Central Business District and also propose a revised regulatory framework. Staff will have the HRM by Design project to Council in the fall of 2008 subject to the approval of new planning tools for HRM under the Municipal Government Act.

ii) *Community Visioning:* Community Visioning statements have been completed for three centres with staff beginning working on 3 new centres (Penhorn/Woodlawn, Spryfield, Middle Sackville) in 2008/09. Community visioning exercises will result in greater clarity in land use policy and regulation in the growth centres identified in the Regional Plan. As with the "HRM by Design" project, this may also result in fewer projects requiring Council's approval prior to proceeding. In the immediate future, staff resources will need to be allocated to the new visioning exercises this year plus staff are

also working on the implementation of the existing action plans generated by the original visioning exercises.

iii) *Master Plans:* The Master Plan areas represent large areas of HRM where Council has provided clarity in policy on development similar to HRM by Design. In addition to the existing Master Plan areas which are now being developed or phases approved, staff are also investigating 3 additional areas (Port Wallis, Sandy Lake, and Birch Cove-Susie Lake area) for consideration. In accordance with the Regional Plan, staff are conducting a "cost of servicing" study for theses area which Council will need to consider prior to initiating a new master plan for those areas. If any areas are considered, staff resources will need to be allocated to these projects.

Political Actions: To reduce processing timelines, political action is required and can occur in three ways:

i) *Committee/Council Schedules:* In the February 12, 2008 staff report, staff recommended that Council review HRM's planning processes in order to streamline the planning approval process with the goal to reduce timelines. Without changes to the political and committee processes, HRM target timelines will be generally longer than those in the benchmarked cities. Changes to these processes require approval by Council. Regional Council directed staff to investigate such opportunities and report back.

Staff met with most of the Councillors to receive feedback on the planning approval process and discussed options to improve the process. Staff are now preparing recommendations to Council on ways to improve processing times. The recommendations should be presented to Regional Council early in the new year. Staff understand from their meetings with the councillors that they still want to have public information meetings for applications. Staff are investigating meeting options to improve processing times such as the developer holding a public information meeting prior to submitting an application.

This review process is occurring at the same time as another Council initiative to review all Council boards and committees. The purpose of this initiative is to look at the structure of boards and committees while Planning Services is reviewing the processes used when processing planning applications.

ii) *New Planning Tools*: The Provincial government has a role in improving processing timelines. In the fall of 2008, the Province approved HRM's requested changes to the Act which will assist HRM with the adoption of HRMbyDesign. Additional changes may be requested in future.

iii) *Appeal Process*: The length of time added to planning approval processes by appeals to the Nova Scotia Utility and Review Board was identified as an area of concern. With the recent amendments to the MGA, clear timeframes for Board decisions are now legislated.

BUDGET IMPLICATIONS

There are no budget implications associated with this report. All items listed under future directions requiring new staff have been previously budgeted.
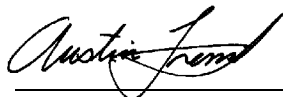
FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

Attachment A:	Types of Planning Applications
Attachment B:	Benchmarking - Other Canadian Cities
Attachment C:	HRM Planning Processing Targets

A copy of this report can be obtained online at http://www.halifax.ca/council/agendasc/cagenda.html then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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Attachment A
Types of Planning Applications

Plan Amendments: Amendments to the Municipal or Secondary Planning Strategies are not routine undertakings and Council is under no obligation to consider such requests. Amendments should only be considered when there is reason to believe that there has been a change in circumstances since the MPS was adopted or where circumstances are significantly different from the situations that the Plan anticipated. Site specific MPS amendments and policy reviews should generally only be considered where circumstances related to policies of an MPS have changed significantly.   The MPS amendments, along with the by-law amendments necessary to implement the MPS amendments, are under the jurisdiction of Regional Council.   The standard requirements for Plan Amendments are:
- C   compliance with the Public Participation Program as approved by Council in February 1997;
- C   review by applicable internal and external agencies;
- C   review and recommendation by applicable Boards and Committees (i.e. Water and Heritage Advisory Boards and Planning Advisory Committees);
- C   review and recommendation by applicable Community Council; and
- C   Public Hearing by Regional Council.

Land Use By-law Amendments & Rezonings: Land Use By-law Amendments & Rezonings are applications which may be considered by Council where enabling policy exists within the applicable Municipal or Secondary Planning Strategy.   The standard requirements for Land Use By-law Amendments & Rezonings are:
- C   a Public Information Meeting;
- C   review by applicable internal and external agencies;
- C   preparation of a staff report;
- C   review and recommendation by applicable Boards and Committees (i.e. Water and Heritage Advisory Boards and Planning Advisory Committees); and
- C   Public Hearing by Community Council.

Development Agreements: Development Agreements are applications which may be considered by Council where specific enabling policy exists within the applicable Municipal or Secondary Planning Strategy. The standard requirements for Development Agreements are:
- C   a Public Information Meeting;
- C   review by applicable internal and external agencies;
- C   negotiation of the development agreement and preparation of a staff report;
- C   review and recommendation by applicable Boards and Committees (i.e. Water and Heritage Advisory Boards and Planning Advisory Committees); and
- C   Public Hearing by Community Council.

There are a range of Development Agreement applications. Several development agreement which have been processed in the past four years are agreements for large tracts of land known as Comprehensive Development Districts. In several of these instances, the establishment of a Public Participation Committee is required and a considerable amount of time can be dedicated to the

Committee reviewing the proposed application.

Attachment B
Benchmarking - Other Canadian Cities

(Target Time Frames)

Type of Application	Victoria	Regina	London	Quebec City	St. John's	Average
Municipal Planning Strategy Amendments	6 - 8	6	4	4 - 6	4	4 - 6
Rezoning	6 - 8	4 - 6	4	6	4	4 - 6
Development Agreements (DA)	not used	not used	4 *	6	7	4 - 6

NOTE: All figures are in months

* London uses another type of discretionary approval

Attachment C
HRM Planning Processing Targets

Type of Application	Benchmarked Cities (Average # of Months)	HRM Planning Processing Targets (Months)
Development Agreements	4-6	8
Municipal Planning Strategy Amendments	4-6	10
MPS Amendment plus Development Agreement	n/a	11
Rezonings	4-6	6
Land Use By-law Amendments	n/a	6