

NO: R056

COUNCIL DATE: May 1, 2023

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **April 25, 2023**

FROM: **General Manager, Planning & Development  
General Manager, Engineering**

FILE: **6630-01**

SUBJECT: **Quarterly Update on the Guaranteed Permitting Timelines and  
Process Improvements – Q1 2023**

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## RECOMMENDATION

The Planning & Development Department and the Engineering Department recommend that Council receive this report for information.

## INTENT

The intent of this report is to provide Council with a quarterly update on the Guaranteed Permitting Timelines for Single-Family Building Permits, Tenant Improvement Building Permits, and Rezoning Applications, and the corresponding process improvements to support these timelines.

## DISCUSSION

To ensure compliance with the Guaranteed Permitting Timelines, monitoring reports have been implemented for all in-scope permit types, to provide staff with insights into the processing time of applications. Insights into the processing timelines are summarized in Appendix “I”, and weekly updates are available on the City website at <https://www.surrey.ca/permittimelines>.

As indicated in Appendix “I”, the current processing time for all permit types are well below the Guaranteed Permitting Timelines, apart from site servicing reviews. In Q1, the City has seen an increase applications for Tenant Improvement Building Permits and Rezoning Applications versus the same quarter last year. New staff resources have been onboarded to assist with site servicing reviews and the associated processing time is expected to be reduced in the coming weeks.

The Planning & Development Department and the Engineering Department continue to monitor and refine the guaranteed permitting timelines through a continual improvement framework. Improvement initiatives, as generally described below, will be implemented progressively with continued updates to Council through quarterly reports. Further details on these improvements are available in Appendix “II”.

### Addition of new Permit Types into the Guaranteed Permitting Timelines

The City seeks to add Renovation/Addition Building Permits, Electrical Permits, and Plumbing Permits to the Guaranteed Permitting Timelines, with implementation in mid-2023.

### Improve Awareness on Deficiencies

The City enabled new online functionality for building contractors to address current outstanding inspection requirements and have greater ability to view historical inspection deficiencies.

### Enhanced Use of Pre-application Meetings

In the coming weeks, Building Front Counter staff will enact practices to better record outcomes of pre-applications meetings, ensuring staff have greater access to decisions and comments made to applicants and assisting with consistency of answers.

### Online Permitting Portal

With the deployment of the online building inspection request features, staff are beginning to leverage learnings to extend these to other trade permits, beginning with Plumbing permits.

### Review the Application Prioritization Process

The City reviewed practices for reviewing applications, seeking to further accelerate applications that are most urgently needed in Surrey, including those with significant community benefits, including social/rental housing, health, learning, infrastructure, and cultural projects.

### Housing Accelerator Fund

The Housing Accelerator Fund, launching in summer 2023 and administered by the Canada Mortgage and Housing Corporation (“CMHC”), provides incentive funding to local governments to boost housing supply across Canada. Staff are actively working on this funding opportunity and will seek Council endorsement towards the City’s application later this year.

### **Next Steps**

Staff will continue to monitor processing times, acting when required and leveraging process improvements, client education, proactive reporting, and staffing resources. In addition, staff are continuing to further streamline the permitting experience based on data and engagement with the land development industry, including the roll out of guaranteed permitting timelines for additional permit types. Staff will provide the next quarterly update to Council in July 2023.

### **CONCLUSION**

Demand for development is high in Surrey and improvements in the City’s development approval processes are continuing to provide significant positive impact on regional and provincial growth and overall community access to housing.

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Appendix “I” Permit Processing Time Overview  
Appendix “II” Process Improvements

## APPENDIX “I”

		Current Processing Time	Quarterly Processing Time				
Permit Type	Established Guaranteed Targets	Jan. 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Single-Family	10 weeks	5.3 weeks	6.4 weeks	6.9 weeks	7.7 weeks	9.0 weeks	9.4 weeks
Tenant Improvements	10 weeks	8.7 weeks	7.6 weeks	9.0 weeks	9.6 weeks	9.4 weeks	8.0 weeks
Rezoning, Single-Family	12 weeks	3.7 weeks	5.6 weeks	8.1 weeks	12.2 weeks	11 weeks	8.6 weeks
Rezoning With DP (Multi-Family, Commercial, Industrial)	16 weeks to 20 weeks*	12.4 weeks	12.4 weeks	12.6 weeks	7.6 weeks	9.8 weeks	Not enough data
Site Servicing Reviews (related to Servicing Agreements)	2.5 weeks	4.0 weeks	3.0 weeks	2.8 weeks	2.8 weeks	2.4 weeks	2.4 weeks

\* for projects requiring Advisory Design Panel review

### Single-Family Building Permits Processing Times

The Single-Family Building Permits Processing Time is measured from the submission of a complete building permit application to staff providing the applicant with an issued permit or a list of deficiencies to resolve, as shown in Figure 1. Note that for infill permits the application is deemed complete when the site servicing plans have been accepted.

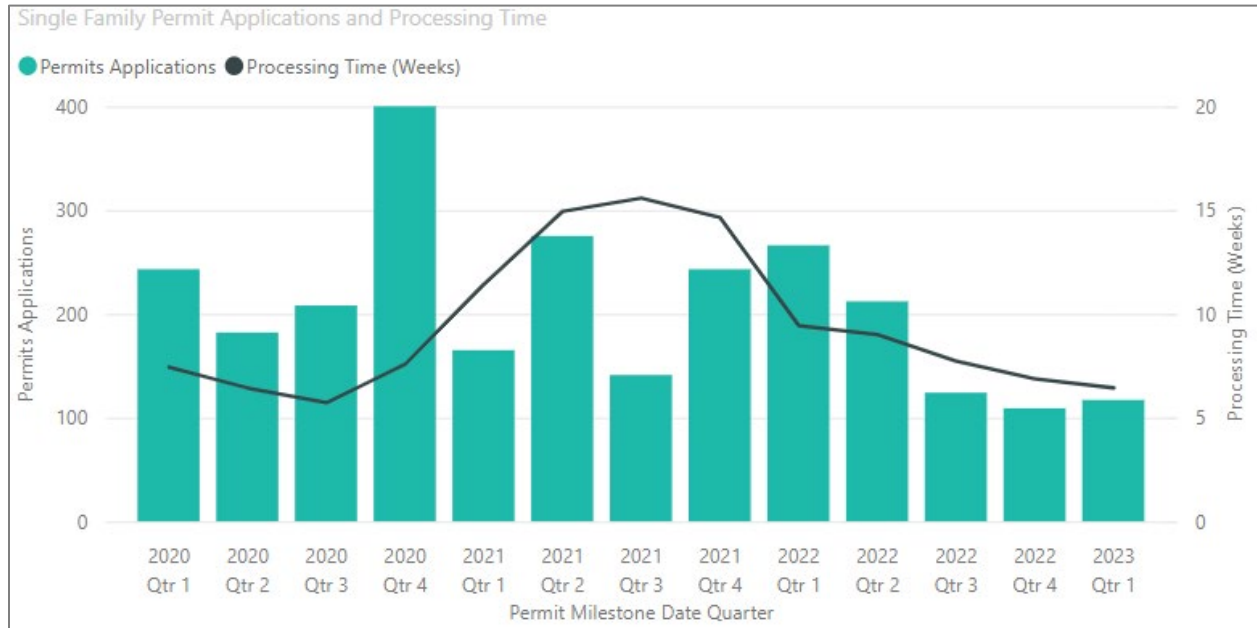
Annually, the City receives an average of 850 new Single-Family Building Permit applications.

In Q1 2023, the City received 117 new Single-Family Building Permit applications, which is 56% lower than the number of applications received in the same quarter last year.

The processing time in Q1 was 6.4 weeks, a slight improvement over Q4 2022.

The current processing time for a Single-Family Building Permit is 5.3 weeks, based on the processing time in the last 30 days.

**Figure 1: Single Family Permit Applications and Processing Time**



### Tenant Improvement Building Permits Processing Times

The Tenant Improvement Building Permit Processing Time is measured from the submission of a complete building permit application to staff providing the applicant with an issued permit or a list of deficiencies to resolve, as shown in Figure 2.

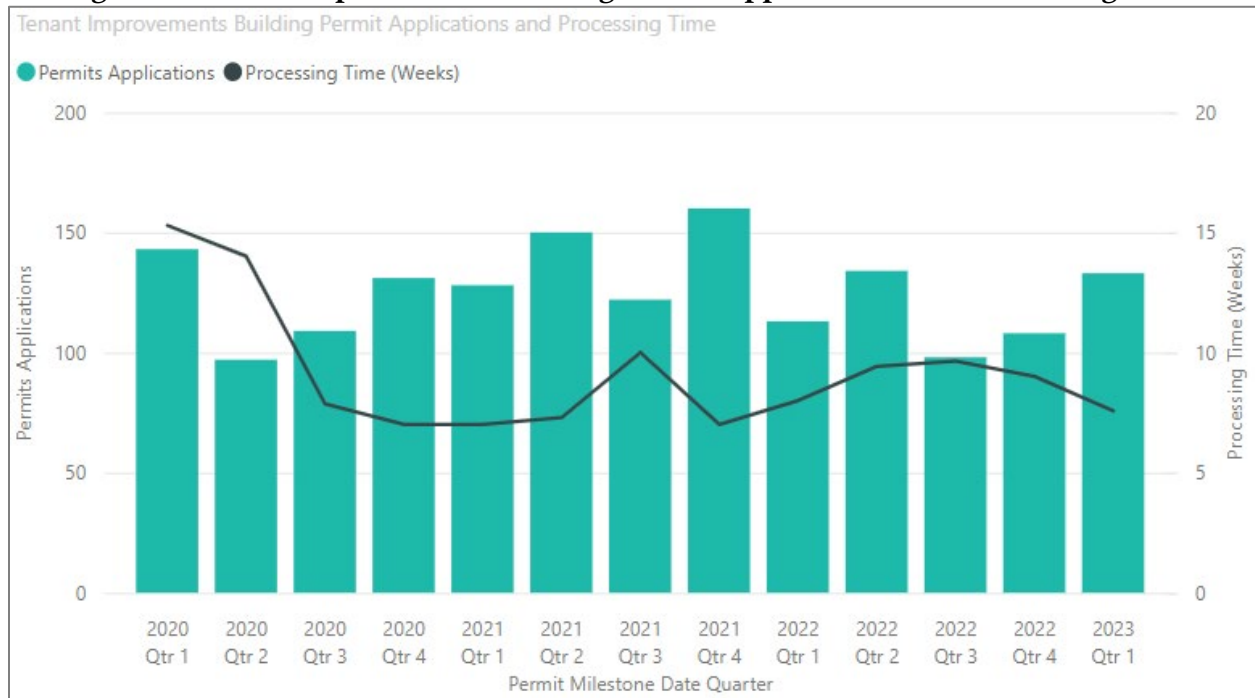
Annually, the City receives an average of 520 Tenant Improvement Building Permit applications.

The City received 133 Tenant Improvement Building Permit applications in Q1 2023, which is 17% higher than the number of applications received in the same quarter last year.

In Q1 2023, complete applications were processed with a processing time of 7.6 weeks. This represents a 15.5% decrease in processing time as compared to Q4 2022 and is still below the established target guarantee of 10 weeks.

The current processing time for a Tenant Improvement Building Permit is 8.7 weeks, based on the processing time in the last 30 days.

**Figure 2: Tenant Improvement Building Permit Applications and Processing Time**



## Rezoning

The Rezoning Permitting Time is measured from the City receiving a complete application, including a preliminary review and resolution of any major issues, to the application being introduced to Council for first and second readings, as shown in Figure 3.

Annually, the City receives an approximately 130 new Rezoning Applications, including simple rezoning, rezoning with Development Permit (“DP”), and rezoning with DP and Plan Amendments. Over 40% of rezoning applications contain plan amendments and are not part of the Guaranteed Permitting Timelines program, due to being inconsistent with City Plans, which leads to longer processing times, resubmissions, and potential denials.

### Simple Rezoning

In Q1 2023, the City received seven simple Rezoning Applications (rezoning applications with no corresponding DP).

In Q1 2023, the City processed three simple Rezoning Applications of which all had to be excluded from the Guaranteed Permitting Timelines, due to applicants submitting last minute changes in scope, triggering additional staff reviews or new requirements.

The current processing time for simple Rezoning Applications is 3.7 weeks, based on complete applications processed in the last six months.

### Rezoning with Development Permit

The City received 13 Rezoning Applications with DP in Q1 2023, which is significantly higher than the historical average.

In Q1 2023, the City processed two Rezoning Applications with DPs, of which all had to be excluded from the Guaranteed Permitting Timelines, due to applicants submitting last minute changes in scope, triggering additional staff reviews or new requirements.

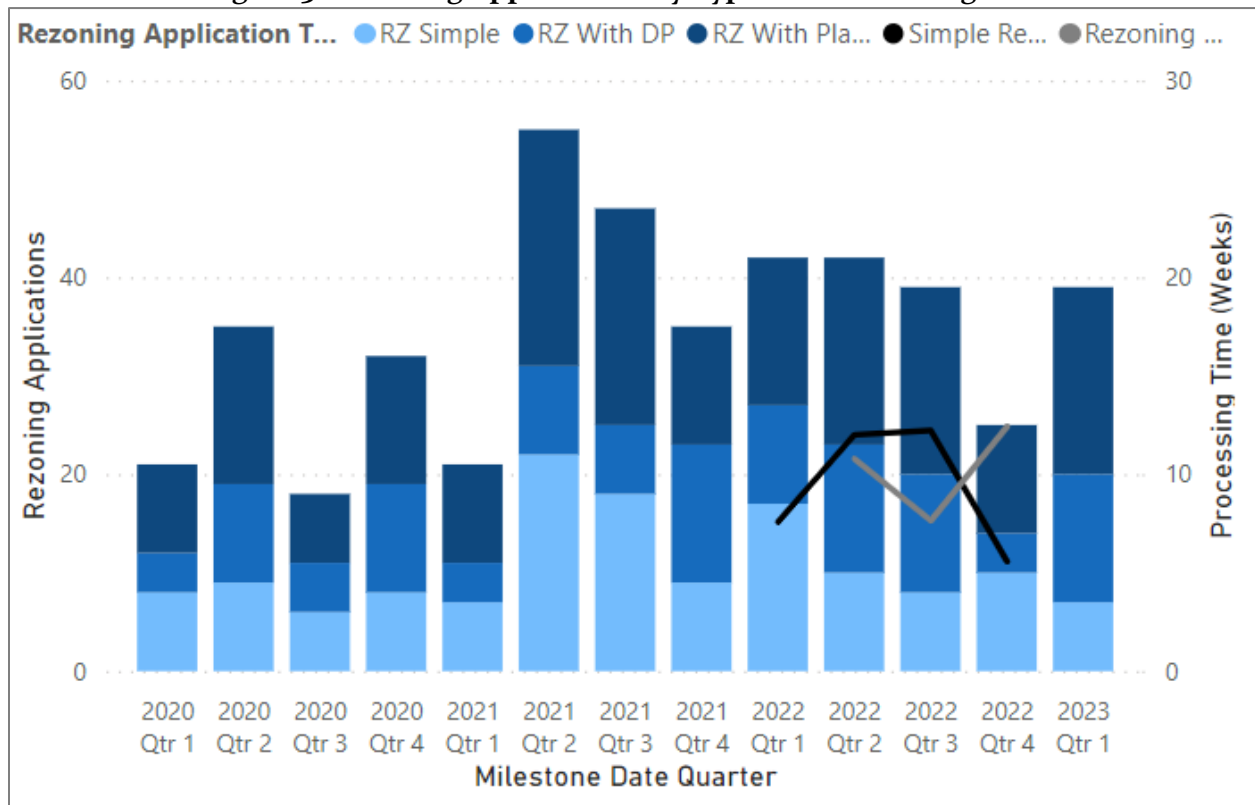
The current processing time for a Rezoning Application with DP is 12.4 weeks, based on applications processed in the last six months.

### Rezoning with Plan Amendments

In Q1 2023, the City received 19 Rezoning applications with Plan Amendments, which is significantly higher than the historical average.

The City processed 17 Rezoning applications with Plan Amendments.

**Figure 3: Rezoning Applications by Type and Processing Time**



### Inclusion of new Permit Types as part of the Guaranteed Permitting Timelines

Staff are continuing to further streamline the permitting experience based on data and engagement with the land development industry, including the roll out of guaranteed permitting timelines for additional permit types.

Three new permit types have been identified as candidates for inclusion in the Guaranteed Permitting Timelines: Renovation/Addition Building Permits, Electrical Permits, and Plumbing Permits.

Staff are currently reviewing the permitting process, timelines, and complexities for these potential inclusions, with a formal introduction into the Guaranteed Permitting Timelines planned for mid-2023.

### Improve Awareness on Inspection Deficiencies

Improved communication of deficiencies, helping applicants to better understand what is required of them to advance their permit application, is one of the main improvement opportunities identified by staff and applicants to improve the approval process.

In March 2023, the City enabled new online functionality to streamline building inspections requests. The online building inspection feature is being progressively rolled out through early adopters, with plans to bring this functionality to all qualified building contractors, streamlining over 16,000 building inspections per year.

This significant release includes several improvements, including:

- Ability to request an inspection online
- Improved ability to address current outstanding inspection requirements
- Ability to pay for re-inspection fees online
- Access to previous inspection results (e.g., inspection slips)
- Improved data entry and data accuracy
- Improved usability
- Simplified login

Further efforts are planned to improve the communication of deficiencies in the application review process, working with Planners and Plan Checkers.

### Enhanced Use of Pre-application Meetings

Pre-application meetings provide an efficient venue for staff and applicants to foster a clear understanding as to what constitutes a complete application submission and to bring to light a variety of issues at an early state of the project to prevent future permit obstacles. Important project details, and anticipated key milestones in the review process, along with possible zoning considerations and code interpretation challenges, can be efficiently outlined in a pre-application meeting discussion.

In the coming weeks, Front Counter staff will enable practises to better promote, guide, and record outcomes of pre-applications meetings, ensuring staff have greater access to decisions and comments made to building permit applicants, assisting with consistency of answers.

Additional efforts are being planned to promote application acceptance success through early application parameters in Area Planning. For example, a zoning enquiry can, in some cases, clarify that a proposed use is not acceptable in an existing building due to zoning or use restrictions, thus preventing expensive lease agreements and design work.

### Online Permitting Portal

The City continues to develop new functionality for the online permitting portal. With the deployment of the online building inspection request features well underway, staff are beginning to leverage learnings and common functionality in other trade permits, beginning with Plumbing permits.

Annually, over 55,000 inspections, or 200 per day, are performed across all permit types, improvements in this area can have significant positive impact to the overall process, allowing contractors more time to deliver housing and for staff to better focus on advancing development projects.

### Review the Application Prioritization Process

Staff reviewed the application prioritization process for rezoning and building permits, seeking to provide clarity to the file assignment process. This review seeks to provide greater confidence in the impartiality of the process and reemphasise the need for the submission of complete applications.

The City has and continues to process complete applications on a first-in, first-out (“FIFO”) basis. Some projects are accelerated, based on community benefit, and most urgently needed in Surrey, including those such as:

- Social/rental housing (BC Housing projects)
- Health (new hospital in Cloverdale)
- Learning (Surrey School District projects)
- Infrastructure (new pump station)
- Cultural projects (Cloverdale Sport and Ice Arena project)

The volume of accelerated projects is low and has minimal impact to the overall application processing experience.

### Housing Accelerator Fund

The Housing Accelerator Fund (“Fund”), administered by CMHC, provides incentive funding to local governments encouraging initiatives aimed at increasing housing supply. It also supports the development of complete, low-carbon, and climate-resilient communities that are affordable, inclusive, equitable, and diverse.

Staff are actively working on developing an extensive action plan that aligns with the Fund’s program requirement. Further updates to Council are expected in Q2 2023, to outline and seek support for the upcoming City application.