

NO: R019

COUNCIL DATE: February 13, 2023

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**REGULAR COUNCIL**

**TO: Mayor & Council** **DATE: February 9, 2023**

**FROM: Acting General Manager, Planning & Development** **FILE: 6630-01**  
**General Manager, Engineering**

**SUBJECT: Quarterly Update on the Guaranteed Permitting Timelines and**  
**Process Improvements – Q4 2022**

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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.

Further 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, with the exception of site servicing reviews. Site servicing reviews are currently being issued at the Guaranteed Permitting Timeline, which is an improvement as compared to the processing time in both Q3 and Q4 of 2022.

As part of the 2023 workplan, the Planning & Development Department and the Engineering Department will 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.

Improve Awareness on Deficiencies: To support applicants to better understand what is required of them to advance their permit application, seeking to introduce a consolidated approach to providing a current list of outstanding items for the applicant to resolve. This initiative includes

the strengthening of messaging templates and supporting documents to facilitate shared understanding, including the increased use of checklists, where appropriate.

Enhanced Use of Pre-application Meetings: Enhance the use of pre-application meetings and enquiries, to support applicants by clarifying deliverables and outlining approval pathways that will facilitate an efficient application process, seeking to introduce this process for most projects.

Online Permitting Portal: Continue to develop new functionality for the online permitting portal, including significant enhancements to the Building Permit Inspections Portal, other trade inspections, communication of deficiencies, and payment of fees.

Review the Application Prioritization Process: Formulate and implement an application prioritization strategy, 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.

Foster Submission Quality Through the Consistent Application of Review Fees: Review and increase the consistent application of the review fees, to encourage quality submissions, focusing on poorly performing applicants that have numerous re-submissions which do not address deficiencies.

Provincial New Permitting Strategy for Building Houses: Leverage opportunities to work with the Province of BC's one-stop-shop approach to provincial permitting to help speed up approvals and construction to build more homes.

Further details on these improvements are available in Appendix "II".

## **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 April 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

Permit Type	Established Guaranteed Targets	Current Processing Time	Quarterly Processing Time			
		Jan. 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Single-Family	10 weeks	7.4 weeks	6.9 weeks	7.7 weeks	9.0 weeks	9.4 weeks
Tenant Improvements	10 weeks	5.9 weeks	9.0 weeks	9.6 weeks	9.4 weeks	8.0 weeks
Rezoning, Single-Family	12 weeks	9.8 weeks	8.1 weeks	12.2 weeks	11 weeks	8.6 weeks
Rezoning, Multi-Family, Commercial, Industrial (excluding plan amendments)	16 weeks to 20 weeks*	11.9 weeks	12.6 weeks	7.6 weeks	9.8 weeks	Not enough data
Site Servicing Reviews (related to Servicing Agreements)	2.5 weeks	2.5 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 930 new Single-Family Building Permit applications. The City received 107 new Single-Family Building Permit applications in Q4 2022, which is 57% lower than the number of applications received in the same quarter last year. Year-to-date, the City has received 13.5% less applications than last year.

In Q4 2022, Single-Family Building Permit applications were processed with a processing time of 6.9 weeks. This represents a 11.1% reduction in processing time as compared to Q3 2022.

The current processing time for a Single-Family Building Permit is 7.4 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 113 Tenant Improvement Building Permit applications in Q4 2022, which is 30% lower than the number of applications received in the same quarter last year. Year-to-date, the number of new applications is 18.5% less than last year.

In Q4 2022, complete applications were processed with a processing time of 9.0 weeks. This represents a 6.7% decrease in processing time as compared to Q3 2022 and is still below the established target guarantee of 10 weeks.

The current processing time for a Tenant Improvement Building Permit is 5.9 weeks, based on the processing time in the last 30 days.

Figure 2: Tenant Improvements 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 average of 120 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 Q4 2022, the City received 10 simple Rezoning Applications (rezoning applications with no corresponding DP). Year-to-date, the City has received 47 simple Rezoning Applications, which is 16.1% lower than the number of applications received last year.

In Q4 2022, the City processed 11 simple Rezoning Applications with a processing time of 8.1 weeks, below above the 12 week target, 33.6% lower from Q3 2022.

The current processing time for simple Rezoning Applications is 9.8 weeks, based on applications processed in the last 90 days.

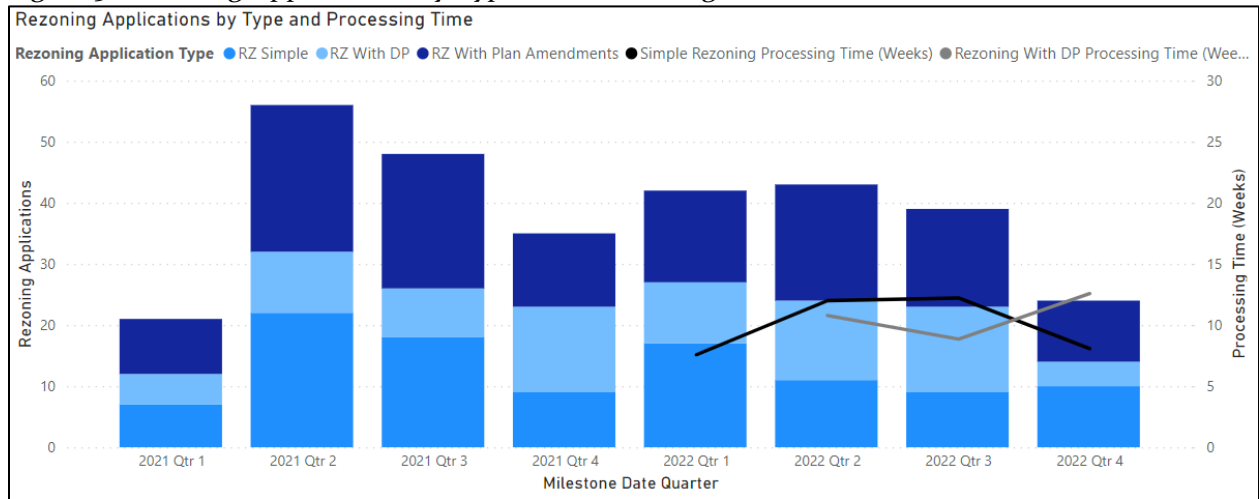
### Rezoning with Development Permit

The City received four Rezoning Applications with DP in Q4 2022. Year-to-date, the City has received 41 applications, which is 10% higher than the number of applications received last year.

In Q4 2022, the City processed 11 Rezoning Applications with DP, with a processing time of 12.6 weeks. Staff expect the processing time of Rezoning Applications with DP to gradually increase closer to the 16-week target, reflecting the complexity of applications being processed.

The current processing time for a Rezoning Application with DP is 11.9 weeks, based on applications processed in the last 90 days.

Figure 3: Rezoning Applications by Type and Processing Time



### Improve Awareness on 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.

Transparent access to information plays a key role in an effective and efficient development approval process. Decisions during the review and approval process need to be communicated in a clear and timely manner, keeping the stakeholders informed and engaged.

City staff communicate directly with applicants, and their team, at several points of the review process. Information provided to clients includes permit submission requirements, application status, and lists of deficiencies preventing the application from moving forward.

Outstanding deficiencies have a significant impact on staff's ability to move an application forward, and there can be significant delays waiting for the applicant to resolve their application deficiencies. In the current, decentralized communication model, getting a current list of outstanding deficiencies can be difficult, generating several update requests to staff and increasing the back-and-forth between staff and applicants.

In the coming year, staff seek to continue to review and improve the communication of deficiencies process, seeking to introduce a consolidated approach to providing a current list of outstanding items for the applicant to resolve. This initiative includes the strengthening of messaging templates and supporting documents to facilitate shared understanding, including the increased use of checklists, where appropriate.

### 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.

Staff will also seek to increase the use of simple pre-application enquiries that could reduce the risk of poor, incomplete, or unacceptable submissions. 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.

Through the enhanced use of pre-application meetings and enquiries, staff intend to support applicants by clarifying deliverables and outlining approval pathways that will facilitate an efficient application process. The City will be reviewing its processes, seeking to increase the use of pre-application meetings and/or enquiries for most projects, leveraging online meetings to facilitate engagement, where appropriate.

### Online Permitting Portal

The City continues to develop new functionality for the online permitting portal. In the coming months, the online Building Permit Inspections portal will be upgraded with significant

enhancements. With over 16,000 building inspection per year, this enhanced online functionality will have significant positive impacts to the Land Development community, allowing contractors to spend more time running their business.

Future releases will include other trade inspections, communication of deficiencies, and payment of fees.

#### Review the Application Prioritization Process

Staff seek to begin the background work to formulate an application prioritization strategy, looking 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. In this review, staff seek to create a framework from which projects can be accelerated based on corporate priorities in a predictable and transparent manner.

#### Foster Submission Quality Through the Consistent Application of Review Fees

The City, in its Building Fee Setting Bylaw, has provisions for a Review Fee (“Fee”) when there are substantial deficiencies, errors, and/or omissions in the submitted documents/plans, including when re-submissions fail to address identified deficiencies.

To date this fee has not been charged as frequently as it could be during the review process, causing a negative ripple effect with an increased number of re-submissions, increased staff time allocated to certain projects, and reduction to the overall processing capacity to approve compliant applications.

The City seeks to review and increase the consistent application of the Fee, in an effort to encourage quality submissions and resubmissions. The Fee will be applied more frequently to poorly performing applicants that have numerous re-submissions which do not address deficiencies.

#### Monitoring Staffing Resources

Recruitment and development of staff remains a priority for sustainable service delivery, with the competitive job market impacting staffing levels and retention/recruitment efforts.

Managers continue to review the level of applications, ensuring adequate staffing levels are in place. Staff anticipate requiring more resources to sustain the Guaranteed Permitting Timelines and are actively reviewing staffing complements, based on the types, volume, and complexity of applications, and to enable process improvements described in this report.

#### Provincial New Permitting Strategy for Building Houses

On Monday, January 16, 2023 the Province of BC (“Province”) announced the creation of a one-stop-shop approach to provincial permitting to help speed up approvals and construction to build more homes.

Development in local government jurisdictions routinely requires referrals to, approvals from, and permits authorized by provincial ministries, Crown Corporations, or major utilities. Although outside of the scope of the Permit Timeline Guarantee, communication to and between these groups, along with the internal process requirements, can influence the efficiency and



effectiveness of the development approval process, as exemplified by the current approval timelines in the Water and Sustainability Approval (“WSA”) process, which can take over 12 months to conclude and a response is provided to the applicant.

The City welcomes this announcement and is eagerly waiting to receive additional details regarding this new strategy in order to work with the Province with a shared goal to improve the speed and predictability in the land development approval process and improve access to housing and affordability.