
MEETING TYPE: Regular Council Meeting
MEETING DATE: September 5, 2023
AUTHOR: Jared Kassel
DEPARTMENT: Planning and Development
ITEM TITLE: Planning & Development Workload Update
DESCRIPTION: To discuss the current workload challenges in Planning, and seek Council direction on regulatory solutions to improving development application timelines

OPTIONS

- A. No Action Required
- B. THAT staff is directed to report back to Council regarding amendments related to Section 21.3 of the Official Community Plan bylaw 1065, 2018;
AND THAT staff continue to accept applications for Development Permit Exemptions on a parcel-specific basis until further amendments to the Official Community Plan bylaw 1065, 2018 are approved.
- C. THAT staff is directed to report back to Council regarding amendments related to Section 21.3 of the Official Community Plan bylaw 1065, 2018;
AND THAT staff no longer accept applications for Development Permit Exemptions on a site-specific basis.

EXECUTIVE SUMMARY

Since 2016, and particularly since the Covid-19 pandemic, the District has seen a steady increase in development applications. There has been an increase in complex multi-family housing projects, a desire by homeowners to add space to their current living quarters, and a need for agricultural operators to diversify revenue sources and capitalize on agri-tourism opportunities. All of these categories of projects require significant staff time to communicate with the applicants, and address policy and technical issues. Concurrently, simple development applications such as new decks and swimming pools that require Development Permits and bylaw variances, have remained at a high level. These circumstances have collectively created a significant backlog of planning applications which remains stubbornly high, and despite concerted efforts to do so, staff has been unable to reduce the application backlog.

If Council wants to address or reduce this backlog, staff has determined that the District will need to reduce the amount of regulation in our current policies, concentrate on the core requirements and purpose contained within the OCP and in particular the Development Permit Area guidelines. There are numerous examples of staff being assigned files that demonstrate an unbalanced approach to land use planning that impacts the file workload of planners. Furthermore, as a result of a recent development regulation review by internal staff and legal counsel, it was advised that Development Permit exemptions granted on a unique and discretionary basis are not in accordance with Section 488 of the Local Government Act. Therefore staff is proposing to remove the ability of the District to issue discretionary DP exemptions and expand the list of criteria in the OCP for legitimate DP exemptions.

KEY INFORMATION

- Planning had 148 active applications as of July 1, 2023. The number of applications exactly 1 year ago on July 1, 2022 was 149.
- During the last 5 years, the number of applications received per year has remained relatively consistent. However, disruptions such as Covid-19 pandemic and staff turnover has reduced the ability of the department to process applications.
- Applications for development have increased in scale and complexity over the past several years. There are more multi-family applications being received on parcels that are characterized by challenges such as slopes, wildland fire hazards, limited servicing capacity and agricultural use limitations.
- The quality of interdepartmental review has improved in the past few years, and this is resulting in a better understanding of unintended consequences for the impacts of development applications.
- In comparison to other municipalities in the Okanagan with larger population bases, Lake Country's Official Community Plan has a lot of regulation in its Development Permit Areas

BACKGROUND/HISTORY

The Planning division consists of the Manager of Planning and 5 permanent unionized positions: 1 Senior Planner, 2 Planners, 1 Planning Technician and 1 Planning Clerk. Unfortunately our Senior Planner position is recently vacant, and so we are beginning a process of filling it.

Planning is responsible for the processing of *current* land use development applications that we receive from landowners, developers and consultants who are interested in constructing various projects on private property. Typically, this happens in the short-term (1-3 year timeframe). This site-by-site development of land ultimately leads to the overall growth of the community. Ideally, this growth results in positive benefits to the community, however sometimes there are unintended consequences that were not anticipated. Because Planning staff have had a heavy current planning workload over the past several years, there has been an inability to work on *long-range* planning files such as neighborhood redevelopment plans, growth boundary projections, affordable housing or density bonusing. Occasionally *long-range* planning tasks have been undertaken by private consultants and outside contractors, as there is no capacity within the existing department to include any of these projects in the annual workplan. Private consultants are invariably very expensive and not as familiar with the District of Lake Country compared to internal staff who have intricate knowledge of the local geography and community.

Current planning takes up all of the division's resources. The types of files that are processed by the department include (ranked in order of frequency of applications received):

- Development Permits (Technical and Council)
- Development Variance Permits
- Zoning Amendments
- Agricultural Land Commission Referrals
- Temporary Use Permits
- Sign Permits
- Covenant amendments
- Official Community Plan amendments
- Board of Variance

DISCUSSION/ANALYSIS

The table listed below is a comparison analysis of Planning applications received and resolved (files closed) in 2022 versus the first 6 months of 2023 (to June 30, 2023). As of July 1, 2023, Planning has 148 active files. Note that this list does not include Business Licenses or external agency referrals. Processing Business Licenses can take 100% of the Planning Technician and Building Clerk's time during the weeks/months of high license applications.

Application Type	2023 (first 6 months to July 1st)		2022 (12 months)	
	Received	Resolved*	Received	Resolved*
Development Permit – Council	7	9	21	11
Subdivision (staff)	1	0	13	3
Development Permit – Technical (staff)	8	15	22	4
Development Variance Permit	5	3	15	3
Zoning Amendment	3	2	3	2
Agricultural Land Reserve	3	4	2	4
Temporary Use Permit	1	1	4	1
OCP Amendment	0	0	1	0
Covenant Amendment	2	0	1	0
Total	30	34	82	28

* Denotes File has been Closed/Cancelled

With 148 active applications in the applications queue, the timelines to receive a decision on an application has stabilized. Average processing time for each of these application types has also stabilized. However, maintaining the current state of affairs for development applications is not acceptable, and it is the intent of Planning staff to improve this situation. Staff turnover is constantly a challenge, but we want to be solution-oriented towards improvement, and have identified a list of action items to make this happen.

Potential Action Items for Improving Timelines for Development Applications

- *Deregulation of Planning Policy (OCP)*
Section 21.3 of the OCP describes a list of standard exemption criteria for properties located within a Development Permit Area (DPA). For example, a property is exempt from requiring a DP in the Natural Environment DP Area if external alterations are being made to a building within its existing footprint. This section also contains information on when a parcel should be considered for an exemption but does not meet the listed exemption criteria. Staff has recently learned that the Local Government Act does not permit this type of discretionary assessment to occur. The exemption list must be explicit from reading the OCP; on a site-specific basis it cannot be left up to the judgement of Administration or Council to make a determination.

Therefore Staff advises that the OCP needs to be amended to remove the discretionary exemption statement from section 21.3 the OCP, and that applications for Development Permit Exemptions no longer be accepted. Furthermore, the list of DP exemptions in the OCP could be expanded to include single family homes, the construction of new accessory buildings which are less than a specified size in

floor area, replacement of buildings that have been destroyed by natural causes, and house additions that increase the floor area by 25% or less. This advice is based on experience and numerous examples from staff of spending excessive amounts of time on files that are not significant or meaningful to the growth of the community. Staff notes that in circumstances that warrant further study, DP exemptions would only be applied when technical reports (such as Geotechnical and Riparian Areas assessment report) have been completed to the satisfaction of the District, and any recommendations from those reports are registered as a Section 219 covenant under the Land Title Act in favor of the District of Lake Country. This would all happen prior to Building Permits being issued.

Details of these proposed exemptions will be forthcoming to Council, once the full wording and text is vetted internally and through legal counsel.

If prioritized, Staff estimates that this action item could take 2-3 months to complete. This work would be completed internally by Planning, but with the support of other departments as well as legal counsel.

- *Create E-Permitting for Development and Building Permits*

This is a systematic improvement that would reduce timelines associated with permit applications and exchange of information with applicants. Steps to make the application process faster and more efficient will make it easier to navigate for the development industry.

The District is in progress with the organization-wide implementation of the Tempest and Prospero software. Once the initial implementation of this software is *live*, the IT Department will proceed to create an external application structure for Building and Development permits. According to IT, the timeline for this E-Permitting process to begin is late 2023 and into 2024.

- *Adding Staff Capacity in Planning*

Additional staff in the Planning division may initially speed up the review and evaluation of *current* development applications on staff desks. However without adding additional capacity elsewhere in the organization (Engineering and Building for example), the impact on other departments may be counteractive, and approval timelines for applications may not ultimately improve. In this sense, the deregulation of planning policy (which is discussed earlier in this report) will likely have the biggest effect on improving timelines for development approvals.

In contrast to *current* planning applications, adding additional capacity in *long-range policy* planning will provide new expertise and a function that Planning doesn't presently have. Furthermore, as the District continues to develop and population densities increase, it will be important to plan for the long term implications of this growth. A long-range policy planner can assist with this expertise, and ultimately the impact on future budgets may be improved as less consultants will be needed on a contract basis. The significance of adding long range policy planning to the department should not be underestimated. They would be assigned to such files as an Affordable Housing Strategy, McCoubrey Plateau ASP, Lake Country Business Park ASP, and strategic Zoning Bylaw amendments. Therefore Council can anticipate to see a request for an additional senior planner position of this nature in the upcoming 2024 budget cycle.

APPLICABLE LEGISLATION AND POLICIES

Local Government Act

Part 14 Division 4 of the Act identifies the requirements for Official Community Plans by a local government.

Land Title Act

Section 219 allows for a covenant securing against the property title in favor of the municipality to impose an obligation on the property owner.

Official Community Plan

Section 21 of the OCP identifies Development Permit Areas, as well as DP exemption criteria

Section 22 identifies Development Approval Information.

IMPACT ON INFRASTRUCTURE OR MUNICIPAL SERVICES

The personal implications from delays in application timelines has been considerable for residents throughout Lake Country. Construction timelines are impacted for all types and scales of development; from small residential projects such as pools and decks, to large-scale corporate projects such as multi-family rental developments. Sometimes these delays seriously impact people's livelihoods, and staff do their best to mitigate these personal impacts as best they can. However, Section 7.1.7(b) of the OCP states that only applications for affordable, rental, special needs, seniors housing or congregate care facilities can be expedited. Therefore most applications we receive cannot be expedited and are subject to standard processing timeframes.

Lengthy application timelines also translate into uncertainty in the development industry, which may cause investment to leave the community. The District of Lake Country has a relatively large land base (122 km²) with varying geography and divergent municipal services. The location of a project can contribute significantly to development challenges, as well as the surrounding environmental issues that must be addressed during the application process. Opportunities to diversify the tax base including business park plans, growing the Town Center, and add more housing are impacted by all of these factors. Furthermore, significant delays on one complex application can cause subsequent delays in other applications further down in the queue, as staff resources from multiple departments are dedicated to resolve complex challenges for the initial application. This happens frequently in a corporate environment of limited staffing capacity.

IMPACT ON STAFF CAPACITY AND FINANCIAL RESOURCES

The majority of Planning staff time is dedicated to processing current applications and responding to planning inquiries. Planners do not have any time to consider long-term land use implications of specific projects, or to develop policy that would manage community growth over the long term. While some long-term policy projects can be completed by external consultants, these contracted projects still require staff time to administer project management, as well as staff input to ensure the local context is being accounted for. Hiring consultants comes at a significant cost to annual department budgets, and is often not very effective in addressing unique community needs.

COMMENTS FROM EXTERNAL AGENCIES, COMMITTEES AND STAKEHOLDERS

Staff has not sought comments from external agencies, committees, or stakeholders at this time. Legal counsel has provided a high-level overview of potential OCP amendments.

CONSULTATION AND COMMUNICATION

No public consultation has occurred at this time regarding potential action items to improve development application timelines. However staff are in regular contact with applicants and members of the public who inquire about file-specific issues, and staff is also in regular contact with the development industry regarding what measures can be taken to improve the file backlog situation.

ANALYSIS OF OPTIONS FOR CONSIDERATION

Option A: Should Council choose Option A, staff will not follow-up with any further information to Council.

Option B: Should Council choose Option B, staff will conduct further detailed work and provide recommendations regarding OCP amendments to facilitate the improvement of development application timelines. Staff will also

continue to receive applications for DP Exemptions on a parcel-specific basis until further amendments to the OCP are approved.

Option C: Should Council choose Option C, staff will conduct further detailed work and provide recommendations regarding OCP amendments to facilitate the improvement of development application timelines. Staff will no longer accept applications for DP Exemptions on a parcel-specific basis.

Respectfully Submitted,

Jared Kassel

Director of Planning & Development.

Report Approval Details

Document Title:	Planning and Development Workload Update.docx
Attachments:	
Final Approval Date:	Aug 30, 2023

This report and all of its attachments were approved and signed as outlined below:

Brian Zurek, Manager of Planning - Aug 25, 2023 - 2:34 PM

Reyna Seabrook, Director of Corporate Services - Aug 25, 2023 - 3:08 PM

Tanya Garost, Chief Administrative Officer - Aug 30, 2023 - 8:14 AM