DISTRICT OF WEST KELOWNA

PLANNING & DEVELOPMENT APPLICATIONS PROCESS REVIEW

REPORT

NEILSON-WELCH
CONSULTANTS TO GOVERNMENT

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CHAPTER 1
INTRODUCTION

The District of West Kelowna must balance a range of competing demands from the public, the business community and the development sector that, taken together, require the District to:

– protect the public interest through the establishment and enforcement of sound land use regulations and standards
– promote ongoing economic development in the municipality, in part by encouraging and facilitating new development
– provide responsive and cost-effective public services and infrastructure
– promote the creation of affordable housing to attract and accommodate a range of household types to the community
– ensure public safety

West Kelowna's approach to reviewing and processing development applications plays an important part in the District's ability to effectively respond to and balance these demands. More specifically, the District's ability to respond to and balance these demands is enhanced by a development approval process that is effective and efficient.

Since West Kelowna's incorporation in December, 2007, the municipality has been involved in a wide range of initiatives, all of which have been directed toward building community and organizational capacity. Substantial time and energy, for example, have been spent on:

– restructuring services (e.g., fire, water, roads, transit)
– preparing Master Plans (e.g., *Official Community Plan*, *Waterfront Plan*, etc.)
– assembling base municipal information systems (e.g., corporate GIS mapping)
– preparing updates to bylaws, policies, standards and guidelines
– recruiting staff and implementing organizational changes

Some of these initiatives remain underway and will continue to require the attention of both elected and appointed officials in the months ahead. Enough progress has been made on these initiatives, however, to allow Council and staff to consider other needs and to focus on other projects.

A review of the District's development approval process is one such project. The local development community, members of Council and senior staff all recognize the need to examine how applications for development are processed by the municipality. All parties recognize that West Kelowna exists today in an environment that is characterized by sluggish economic growth, increasingly mobile capital, highly constrained development project financing, and developable land

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that is not without costly site issues. Efforts taken by the District to critically examine and improve its approval process efficiency, as well as its regulatory requirements and fee structures, will make it easier for development plans to proceed in a way that meet the short- and long-term interests of the community and the proponent. Such efforts will also stand as a recognition on the part of the District of the importance of good development to the community and its future growth and prosperity.

Early in 2011, West Kelowna staff began an internal assessment of the District's approach to processing development applications. Changes arising from this internal assessment are being contemplated, or are in the process of being introduced. In April 2011, the District decided to complement and build on the efforts of staff by commissioning an independent, external review of its approval process. Neilson-Welch Consulting Inc. and Juliet Anderton Consulting Inc. were commissioned to conduct this external review. The consultants began their work in May, 2011.

EXTERNAL REVIEW

The consultants were asked to critically examine the processes through which the District considers applications for:

- Rezoning
- Development Permits
- Development Variance Permits
- Subdivision Approval
- Building Permits

In their review, the consultants were asked to focus primarily on the length of time it takes for applications to move through the District's approval process. The speed, or efficiency, of approvals — particularly compared to that in other jurisdictions — is of primary interest to the District. West Kelowna is looking to the consultants to provide recommendations aimed, directly or indirectly, at making the District's development approval process more efficient.

APPROACH

In conducting their assignment, the consultants:

- researched and reviewed a number of background materials, including the *West Kelowna 2010 Community Profile*, the District's *2010 Annual Report*, *2010 Strategic Plan*, relevant Council policies, an *Advisory Committee Guide and Terms for Reference*, and key baseline data related to development applications

- interviewed the Mayor, two Councillors, the Chief Administrative Officer, the Director of Planning, the Director of Engineering & Operations, the Director of Building & Regulatory Services, the Manager of Current Planning, and the Fire Chief

- interviewed members of the Urban Development Institute (UDI) and other developers with experience in West Kelowna

- reviewed minutes from the (recently created) Developer Liaison Committee meetings, as well as minutes from meetings between the District and West Kelowna developers over the course of the last year

- reviewed high-level application tracking data to assess current timelines

- undertook a detailed review of five development applications including approvals for a rezoning, development permits, a development variance permit, and a subdivision

- researched and assessed the length of time for development approvals in other jurisdictions within the Okanagan region, as well as those in jurisdictions with comparable key characteristics to West Kelowna

REPORT OUTLINE

This *Report* presents the consultants' findings and recommendations. Chapter 2 document's the municipality's existing organizational context as it relates to development application reviews. Chapter 3 then highlights the consultants' findings with respect to the organization's strengths in processing permits and approvals.

Chapter 4 introduces and reviews, in some detail, the key issues identified during the review. Some of these issues are applicable to all or most of the development application reviews that are undertaken by the District; others are more specific to particular application types. Chapter 5 presents the results of the research into development approval efficiency and practices in comparable municipalities.

Chapter 6 ends the *Report* by presenting the consultants' recommendations. Recommendations that may be considered as high priority items for early implementation are identified.

FINAL POINTS

Before turning to the body of the *Report* it is important to mention certain key points:

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– First, it should be understood that the external review was structured, budgeted and conducted as a "high-level" exercise, designed to assess a broad range of permit types, to canvass a broad range of persons and perspectives, and to consider a broad range of concerns. Within these parameters, the consultants were limited in their ability to examine in detail all process elements and all concerns.

– Second, the external review was, by necessity, conducted within a relatively tight timeline that called on the consultants to provide an interim report after four weeks of study, followed by a full draft two weeks later. This tight timeline made it challenging to acquire all comparative data requested of other jurisdictions.

– Third, the consultants were not commissioned to assess staff workloads or to evaluate the capabilities or performance of staff members involved in processing development applications. The *Report* does not, as a result, provide recommendations related to these issues.

– Finally, the review did not include an evaluation of the District's development regulations or standards (the focus of the review, rather, was the efficiency of process through which the regulations and standards are applied). The review also did not include an assessment of the District's development fee structure or its impact on development approvals.

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CHAPTER 2
ORGANIZATIONAL CONTEXT

When reviewing a municipality's development approval process, it is helpful to understand the organizational context in which the process exists. This brief chapter is intended to provide this context for the review of West Kelowna's development approval process.

West Kelowna, like all mid-size municipalities, receives applications for a wide range of permits and approvals. The five most prominent application types relate to those approvals whose processes are the focus of this review, namely zoning bylaw amendments, development permits, development variance permits, subdivision approvals and building permits. The full list of application types, however, is much broader, as indicated in Figure 1.

Figure 1
Total Development Applications by Application Type

Application Type	2009	2010
Zoning Bylaw Amendments	44	13
Development Permits	13	17
Development Variance Permits	10	18
Subdivision Applications	12	15
Building Permit Applications	340	377
Business License Applications	263	317
Temporary Use Permits	2	5
Agricultural Land Reserve Applications	3	4
Official Community Plan Amendments	11	2
Land Use Contract Amendments	1	1
Board of Variance	n/a	1
Floodplain Exemptions	2	0
Liquor Licenses	0	0

The review of development applications is an important function that requires significant resources. In 2010,[1] three separate departments were involved in

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[1] This chapter describes staffing resources as they existed in 2010 in order to be consistent with the time period chosen for the review of key development data, including data collected for the comparative analysis in Chapter 5. Today, in 2011, the Planning Department's total staffing complement today is 12.5 FTE, including the Planning Director. In mid-2010 the current planning supervisor was hired, and in mid-2011 two new FTE were added to allow for the greater separation

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- Planning
- Engineering
- Building & Regulatory Services

In 2010, the Planning Department, headed by the Director of Planning, had a total of 10.5 FTE. The positions in the department included a current planning supervisor (hired mid-year), a planner, a planning analyst, an environmental planner, a parks planner, two technicians and administrative support.   Approximately half (5.5 FTE) of the total staff time in the department was dedicated to the review of development applications. The department was also active in creating and revising the municipality's key planning framework documents, including the *Official Community Plan*, the *Westbank Centre Plan*, and the *Waterfront Plan*. As well, staff in the department spent time reviewing, on behalf of the District, various planning-related referrals from the Regional District of Central Okanagan (RDCO) and provincial ministries.

Engineering & Operations was involved in reviewing applications for subdivision approval to ensure that all development proposals comply with the *Subdivision and Development Servicing* bylaw and other applicable bylaws and regulations.[2] The department was also involved in assessing other key development application types (e.g., rezoning, development permits) from an infrastructure capacity perspective. In 2010, a total of four positions were involved in reviewing development applications. Staff estimate that approximately 2.5 FTE (excluding administrative support) were dedicated to the function. Additional FTE in the Department were involved in various infrastructure and master planning functions, as well as in operating the District's various infrastructure systems.

The 6.0 FTE in the Building & Regulatory Services Department were responsible primarily for issuing building permits — a process that requires building inspectors to review building plans and conduct inspections of development at various stages of development.[3]

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of current and long-range planning functions. Prior to this addition, staffing assigned primarily to current planning also had significant involvement in the department's long range, master planning activities.

[2] The *Subdivision and Development Servicing* bylaw currently in effect was inherited from the Regional District of Central Okanagan at the time of District of West Kelowna incorporation.

[3] One additional building inspector was hired at the end of 2010.

CHAPTER 3
STRENGTHS & BEST PRACTICES

The chief purpose of the external review is to identify areas for improvement to the District's development approval process. It needs to be recognized, however, that not all aspects of the District's handling of development applications require attention. Over the course of their work, the consultants identified a number of strengths in the approval process, the District's broader (supporting) planning framework, and the approach taken by the organization and staff to development applications. The consultants also identified certain development approval best practices, including a series of initiatives that emerged out of staff's 2011 internal development process review, and that have been put in place recently in an effort to improve the efficiency of the District's development approval process. These strengths and best practices are profiled in this chapter.

It should be understood that this chapter is not intended to suggest that the District's development approval process is without problems, or that all aspects of the District's approach to reviewing applications for development are sound. The chapter is intended instead to show that, moving forward, there are some existing strengths on which to build, and some recently introduced best practices that represent steps in the right direction.

STRENGTHS

➤ **Strategic Planning & Master Planning Framework**

The District prepares an annual corporate strategic plan, and is in the process of preparing a series of plans that will comprise an extensive master land use and infrastructure planning framework. This framework, once completed, will provide a strong foundation for an applications approval process that is efficient, consistent and transparent. A well-documented strategic and master planning framework, prepared with and approved by the District's decision-makers, establishes a clear and consistent message to staff and development applicants as to the type and nature of applications that are considered to be in the best interest of the community and worthy of support.

➤ **Staff Alignment with Strategic Priorities**

Staff strive to understand, respect and be guided by Council's strategic priorities (as set out in Council's *Strategic Priorities Plan*), and by Council's direction on development issues, even in cases where such direction has not been clearly established.[4] Staff have also taken the steps required to ensure that

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[4] As noted earlier the District's land use & transportation planning framework is under development.

development reviews are responsive to the community's needs and wishes, and provide opportunities for public consultation, over and above the consultation requirements prescribed by statute.

➤ **Staff Resilience**

As a new municipality with an ambitious Council and senior management, West Kelowna has taken on a broad range and high volume of master planning projects and other initiatives. All such projects and initiatives, even those that are contracted to consultants, impose considerable pressure on staff, who are also responsible for important ongoing functions, not the least of which is the review of development applications. On the whole, staff have shown resilience in the face of workload pressures, and have worked to balance the requirements of master planning projects and one-time initiatives with those of ongoing functions.

➤ **Tone of Correspondence**

The tone of the correspondence that was examined as part of the consultants' detailed file review was positive and professional in nature and often stressed the need for quick responses from internal agencies.

BEST PRACTICES

➤ **Delegated Authority**

Minor development permits are processed quickly at the District through the use of delegated approval authority.

➤ **External Consultants**

The use of external consultants to undertake traffic engineering studies has allowed staff to concentrate on other responsibilities, has delivered a more timely response than could be expected from an internal review, and has provided for access to outside experts to assist in resolving conflicts.

NEW INITIATIVES

As noted, a series of initiatives designed to improve the efficiency of the development approval process emerged out of staff's internal 2010-2011 review. These initiatives, which are profiled in Figure 2, include new approaches to application processing, service delivery and communication with stakeholders.

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It should be emphasized that the majority of initiatives in Figure 2 have not been in place long enough to make a significant difference to approval times, or have not been implemented fully. It should also be noted that many of the regular development applicants in West Kelowna — applicants who have expressed concerns with the District's approach to development approvals — have yet to experience some of the changes that have been introduced. It should be stressed, finally, that the initiatives identified in Figure 2 represent positive intentions and/or steps in the right direction. They will need to be evaluated and refined once they have been implemented and tested on applications. On the whole, however, they should complement the recommendations that emerge from the external review, and that are presented in Chapter 6 of the *Report*.

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Initiative	Objective									
	Efficiency	*Timeliness*	*Tracking Ability*	*Communication*	*Transparency*	*Integration*	*Responsiveness*	*Workload Mgmt*	*Predictability*	*Consistency*
Development Review Committee for Development Applications and Building Permits *(new)*	X	X		X	X	X	X			X
Developer Liaison Committee Meetings *(new)*	X			X						
On-Line Development Applications Tracking *(new)*	X		X	X	X					
"One-Window" / Single File Manager System *(increased commitment)*	X			X		X				
Application Process Procedures Checklist *(increased commitment)*	X		X					X		X
Applications Communications Record Keeping *(increased commitment)*	X			X	X	X				X
Consolidated Fire and Building Inspections *(new)*	X	X				X	X			
Development of Presentation Templates as "Building Blocks" *(new)*	X			X				X		
Building Inspections Response to Need for "Just-in-Time" Services *(increased commitment)*	X	X					X			
Customer Service Training *(underway)*		X		X			X			

CHAPTER 4
OBSERVATIONS & ISSUES

Over the course of the external review, several observations and issues regarding the District's approach to processing development applications were identified. These observations and issues are outlined in this chapter of the *Report*.

GENERAL OBSERVATIONS

From the review of development files, interviews with staff and elected officials, and discussions with developers, the consultants made a number of general observations concerning development approvals in West Kelowna. Consider the following issues:

– There is a strong desire among staff to take forward to Council high quality development applications that are felt to be in the best interest of the municipality, and that include a positive staff recommendation — a recommendation, in other words, that allows Council to confidently support the application in a public forum. Staff should not feel compelled to present only those applications that receive staff support. Staff and applicants will disagree at times on the benefit of proposed developments to the community. Council's role in such instances is to decide the matter based on what Council deems to the public interest.

– Through its use of terms such as "growth management", "protection," "regulation," "preservation" and "citizens' priorities", Council's strategic priorities framework (i.e., *Strategic Priorities Plan*) strikes a tone that may easily be perceived as being less-than-welcoming to development and the development community.

– There is a lack of confidence shown by Council, staff, and others in the existing long-range land use & transportation planning framework, the approved neighbourhood planning framework, and the District's subdivision regulations.

– Staff have a tendency to look ahead to the (anticipated) approval of the new planning framework that is under consideration, and to selectively apply regulations and expectations, that will, it is assumed, be featured in the new framework.

– The development approval process provides considerable opportunity — greater than that which is required by statute — for public review of and comment on development proposals. Significant weight is placed on the importance of resolving issues raised by the community during consultation.

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This importance on community input is rooted in Council's strategic priorities.

– There is a lack of confidence on the part of staff to make decisions with respect to the capacity of infrastructure to support development proposals. This lack of confidence is in part a result of insufficient municipal infrastructure databases, and a lack of clarity on the level of risk acceptable to the District.

– The District features an organizational structure that divides the development application review function across three departments: Planning, Engineering, and Building & Regulatory Services. This division can and does result in conflicting direction being given to applicants.

Taken together, these factors contribute to what the local development community perceives as an anti-development culture among District staff. Developers are concerned that staff, who are operating within a system in which key criteria to guide decision-making are not all well-defined, make arbitrary decisions for which they cannot be held appropriately accountable. There are related concerns that staff in the current system make decisions based on what they perceive to be Council's political views and expectations, rather than in accordance with existing plans.

Without a clear Council mandate that expresses an ethic to facilitate development, and without a planning and policy framework that is fully in line with the perceived expectations of the current Council, staff are assigned a disproportionate responsibility (and risk) to negotiate with applicants to bring forward quality applications that they believe to be safe, functional and reflective of the desires of Council and the best interests of the community.

SPECIFIC ISSUES

➤ **Pre-Application Consultation**

The nature of pre-application consultation can have a significant effect on the efficiency of the development application process. The amount and accuracy of information that can be conveyed to an applicant before he or she invests in a design proposal will reduce the need for, number of and ultimate cost of, revisions.

At present, the District's approach to pre-application consultations is informal. The level of service and the depth of knowledge vary by application, no file is initiated, no checklist is applied, and there is no requirement to keep or produce a record of the event. Where a record is created, there is no central paper or electronic filing system for storing the information. The scope of what is to be

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reviewed is not defined, and the potential exists for applications, once submitted formally, to be handled by a file manager who was not part of the pre-application discussions. Staff are aware of many of these shortcomings and are incrementally working to improve the approach.

➤ **Internal Circulation**

The length of time between the District's acceptance of an application and the referral to internal and external review agencies has been unnecessarily excessive in the past. The decision to introduce a Development Review Committee (see Figure 2) was taken in response to this concern, and should help to improve the situation.

➤ **Communication of Expectations**

Letters to applicants that refer to a combination of "stock" and "tailored" requirements are confusing to readers, particularly in cases with applicants who are new to the process. Such letters also create confusion as to which requirements are "flags" for future stages of development (e.g., subdivision and building permit) and which are applicable to the subject application.

There is inconsistency on the part of staff who review and comment on application referrals with respect to the types and extent of information that may be requested of the applicant at each stage of development review. In addition, the distinction between requirements and recommendations based on guidelines and best practices is not made apparent to the applicant. It is not clear if reviewers are confused as to what information and requirements should be expected at each stage, or if reviewers understand but choose to look beyond limitations of what may be considered reasonable. Regardless, this practice leads to inconsistencies in how applicants are treated, and, in some cases, suspicions among applicants that the District is intent on "gouging" developers.

The tone of comments in internal circulations, with the exception of comments made by the planning file manager, is in virtually all cases requirements-based. This approach is not entirely unexpected or unwarranted; however, it does show reluctance of staff to take on a leadership role in working collaboratively with applicants and colleagues to solve problems.

➤ **Comprehensive and Integrated Response**

In their detailed review of key applications, the consultants found only one example of a comprehensive response to an application — that is, a response that included comments from all key departments, on all relevant issues. Even in that example, however, the comments from the various reviewers were not

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communicated in an integrated way to the applicant. Furthermore, it was clear that the comments were not conveyed to the applicant in person or using a method that allowed for two-way communication.

➤ **Organizational Structure**

In mid-2011, the District increased staffing in the Planning Department to 12.5 FTE. This decision was taken to enable the organization to more fully separate long range planning and capital planning work functions from current planning and subdivision referral functions. This change is positive, and will give new profile and priority to the District's development application function. The change does not result, however, in the consolidation of all development application review efforts in a separate Development Services Department. It remains the case in West Kelowna that the planning, engineering and building review components of the District's development approval function are split among three departments. This structure can make it difficult to set clear workload priorities, to provide integrated responses to proposals, and to foster a uniform culture of creative problem solving and process innovation. The newly-formed Development Review Committee is a positive move to help overcome some of these challenges; a further move to create a separate Development Services Department, however, may be warranted.

➤ **File Tracking & Monitoring**

The tracking of all applications in the review and approval process on a weekly basis is important for the purpose of managing workloads and maintaining focus on efficiency goals. Monitoring the application load, and the length of time it takes files to move through the process (including time for revisions to applications) is another important feature. A system with online access helps to increase transparency, improve applicant confidence, and reduce misconceptions about application status.

The District's tracking process is evolving. It is presently based on the designs of individual managers and the needs of their divisions. File managers in current planning update an excel file weekly, and update the online information on the District's website monthly. File tracking in engineering, however, lacks transparency.

Further improvements are warranted. The District would benefit from a file tracking system that accounts for the integrated roles of planning and engineering, that has the ability to retrieve information on important queries, and that can allow staff to easily assess trends over time.

➤ **Milestones & Targets**

There is little evidence of formal or informal performance timelines or targets having been established for the current planning or engineering activities. External agencies are obligated to respond within a set timeline. No response within the timeline indicates that the agencies have no objection. Within the District itself, comments on the initial internal review of an application are expected within 30 days in order to meet the deadline for discussion at the Development Review Committee Meeting. But there is at present no formal deadline for the preparation and communication of the formal comment letter back to the applicant. In addition, staff are hesitant to provide overall timelines for different types of applications to reach Council consideration.

➤ **Developer Communications**

The District has increased the level of communication between staff and the local development industry by holding one-on-one meetings with individual developers. Quarterly Developer Liaison Meetings are also now being held in an effort to encourage open dialogue between the District and the development community. Both types of meetings provide important forums for building relationships, and for addressing concerns at the staff level before going to Council.

The District should use the Developer Liaison Meetings to highlight internal process changes designed to increase efficiency, many of which would otherwise take a new application to be recognized. These changes are important and help to demonstrate the District's commitment to collaborative problem-solving with the industry.

➤ **Preparedness for "Spikes" in Applications**

Staff believe they will have a very limited ability to respond if the District were to be faced with a marked increase or "spike" in applications.

ADDITIONAL FINDINGS

Over the course of the file review, the consultants identified a number of items that are worth noting as additional concerns. It is difficult, however, to determine from the application sample size the prevalence or significance of the concerns. The concerns are listed as follows:

– changes to Zoning Bylaw interpretation and application within a build-out of one development

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- files assigned to a file managers while they are away, leading to a delay in circulation
- revised plans, provided by the applicant, not circulated among reviewers in different departments, resulting in comments being made on out-of-date plans
- circulations for review to the wrong irrigation authorities
- identification of significant engineering requirements (including major studies) that conflict with prior requirements, issued to applicants who are already well into the process
- holding applications pending the completion of broader area studies
- over-reliance in communications with applicants on the term "discretionary zoning" as a justification for requirements

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CHAPTER 5
OTHER MUNICIPALITIES

The consultants were asked to undertake comparative research on the length of time it takes for development approvals in other jurisdictions that are considered to be comparable to West Kelowna. For one part of the research, the consultants chose three jurisdictions with populations, growth rates and development application volumes similar to those of West Kelowna. The jurisdictions include the City of Vernon, the District of Mission and the City of Penticton. Each of these jurisdictions:

- had a 2010 population between 33,000 and 39,000 (the District of West Kelowna's 2010 population was approximately 27,000)

- experienced a pace of population growth between -0.6% and 1.0% from 2009 to 2010 (West Kelowna's population declined by 0.4%)

- received between 10 and 29 rezoning applications in 2010 (West Kelowna received 13)[5]

The consultants were asked to also assess processing timelines in three regional jurisdictions. Westbank First Nation (WFN), the District of Summerland and the City of Kelowna were chosen.

It should be understood that the purpose of the comparative research is to provide a high-level perspective on the timelines for application processing. It should also be understood that efforts to compare timelines across different jurisdictions are inherently difficult. Challenges that exist in all comparative research exercises apply to the West Kelowna exercise, but are magnified by the short period of time allocated for the research.[6] For these and other reasons, the data should be treated with some with caution. Their value is in identifying broad trends, and in helping the District to determine where further, more detailed investigation into others' processes and best practices may be warranted.

WEST KELOWNA TIMELINES

West Kelowna's timelines for key application types were assessed by reviewing applications that were submitted and processed between May of 2009 and May of

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[5] The number of rezoning applications was used as a proxy for overall application volumes.

[6] Challenges include the presence of subtle and obvious differences in staffing levels dedicated to reviewing applications, and the fact that participants (typically) self-report data.

2011.[7] Figure 3 outlines the range and average length of time for each of the District's major application types. It is important to note that the development application processing improvements implemented by the District over the last year were not in place long enough to significantly influence or be reflected in the District's process approval timelines.

Figure 3
Timeframe for Development Applications

Application Type	Range	Average
Rezoning (without a DP or DVP) - Simple	4 - 6 months	5 months
Rezoning (without a DP or DVP) - Complex	6 - 12 months	9 months
Development Permits (without a rezoning)	2 - 6 months	4 months
Subdivision Applications to PLR*	3 - 17 months	11 months
Subdivision Applications to Final Approval*	8 - 62 months	30 months
Building Permits – Residential (SF)	1 - 4 weeks	3 weeks
Building Permits - Commercial	4 - 6 weeks	5 weeks

* All samples included subdivisions of 17 lots or greater. A number of applications sampled had an application date prior to May 2009.

COMPARISONS

The length of time for development approval was assessed for each of the six comparison jurisdictions. The following processes were charted:

– Rezoning
– Development Permits
– Subdivision Approvals
– Building Permits

Figures 4 and 5 display the results. It should be noted that in some cases data were not received from all jurisdictions within the timeline of the study.

[7] Those surveyed were asked to randomly select at least 20% of applications completed between May of 2009 and May of 2011 and to provide the average length of time for each application type. A number of subdivision applications sampled by the District had an application date prior to May 2009.

Figure 4
Service Speed (Days)
Jurisdiction of Similar Size and Growth Comparison
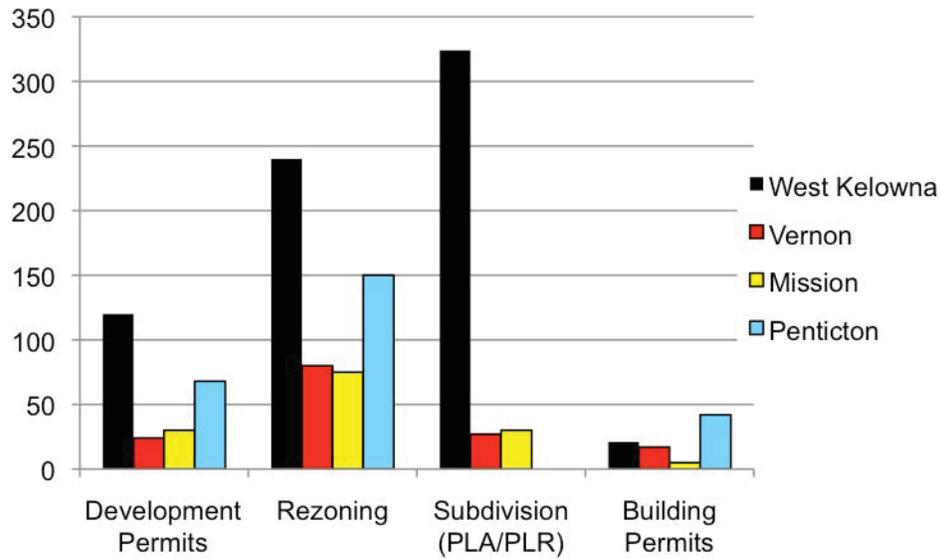
Notes:

1. Comparable subdivision data were not available for Penticton.
2. Subdivision data represent time to Preliminary Layout Approval or Preliminary Layout Review Approval.
3. All DWK subdivision applications sampled were subdivisions of 17 lots or greater.
4. City of Vernon data source: *City of Vernon Planning and Building Services Department Review*, 2011
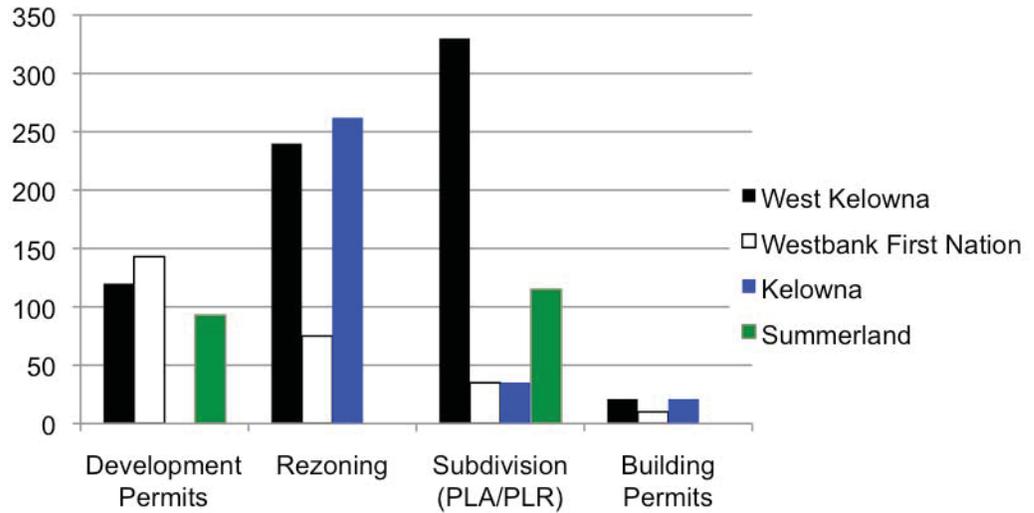5. Building Permit data represent single family building permits only.

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Figure 5
Service Speed (Days)
Regional Jurisdictions Comparison

Notes:

1. Development Permit data were not available for the City of Kelowna. Rezoning and Building Permit data were not available for the District of Summerland.
2. Subdivision data represent the time to Preliminary Layout Approval, Preliminary Layout Review Approval or Concept Development Plan approval in the case of Westbank First Nation.
3. Rezoning data represent applications without a Development Permit.
4. All DWK subdivision applications sampled were subdivisions of 17 lots or greater.
5. All applications represented within WFN data are for large project approvals with the exception of the Building Permit category which is for single family housing only.
6. Building Permit data represent single family building permits only.

CITY OF VERNON COMPARATIVE RESEARCH

In 2010 the City of Vernon undertook a study of nine jurisdictions throughout British Columbia, as well as two from Alberta. The selection included:

– City of Campbell River
– City of Chilliwack
– City of Courtenay
– City of Cranbrook
– City of Kamloops
– City of Kelowna
– District of Mission
– City of Penticton
– City of Port Moody
– City of Airdrie
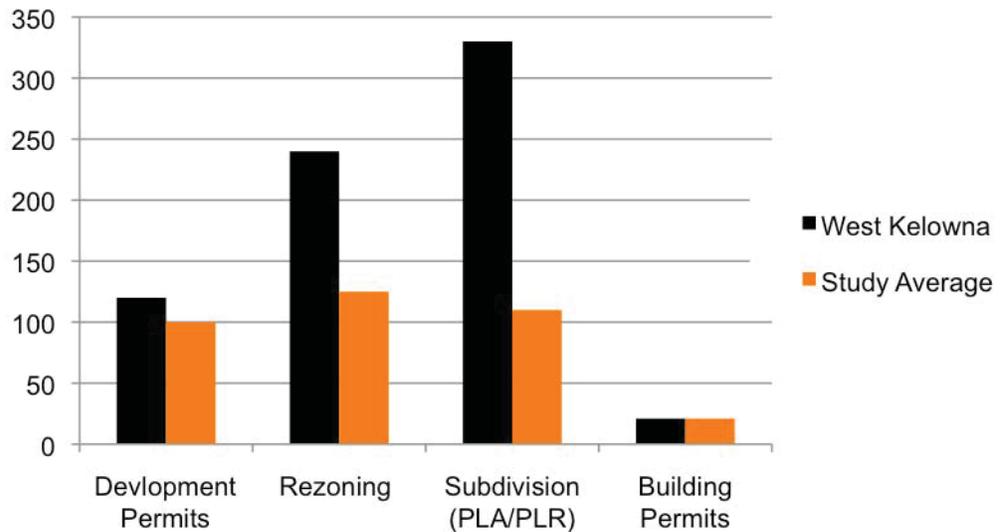
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Figure 6 outlines the average service speed for the group selected in the City of Vernon study, compared to the District of West Kelowna.

Figure 6
Service Speed (Days)
Study Group Average

Notes:

1. All DWK subdivision applications sampled were subdivisions of 17 lots or greater.
2. Building Permit data represents single family building permits only.

FINDINGS

Consider the following points from the figures:

– Development permits are processed in a time frame that is similar to that of other jurisdictions in the Central Okanagan, as well as to the average time frame for the jurisdictions studied by the City of Vernon.[8] Compared to the jurisdictions with similar sizes and growth rates, however, the District's processing time was somewhat slower.

– West Kelowna's service speed for processing rezoning applications was significantly slower than the speed of rezonings in Westbank First Nation

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[8] It is should be noted that all of the sample applications for the Westbank First Nation included very large development projects as compared to those examined from West Kelowna.

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and jurisdictions of a similar size and growth rate. The speed of rezonings in West Kelowna was also considerably slower than the average speed experienced in the City of Vernon's sample group. West Kelowna did report slightly faster service speed than the City of Kelowna.[9]

– West Kelowna's subdivision processing timeline for preliminary layout review approval was significantly higher than that in all of the local jurisdictions surveyed, all jurisdictions of a similar size and growth rate, and the average of Vernon's sample group.

– West Kelowna was similar to the City of Kelowna and the City of Vernon's sample group average in processing speed for building permits for single family housing. Westbank First Nation and the District of Mission reported faster processing speeds, while Penticton reported a longer time frame.

Within each jurisdiction studied there are many factors that contribute to the timeline for applications. Some of these factors are within the control of the approval authority, but some are beyond its control. Several of the factors within West Kelowna's control have been raised in previous chapters; factors largely outside of the District's control relate, primarily, to an applicant's responsiveness during the process in providing information in support of the application and in addressing requirements outlined by the District. Application timelines can also be affected by the time it takes for the applicant to secure project financing. Applications that are subject to the approval of servicing agreements may stall late in the process as the applicant secures final project financing.

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[9] The City of Kelowna has noted that many applications within Kelowna's data sample were affected by a "hold pending policy outcomes" as per the City's refined 2030 *Official Community Plan* adoption, or by a moratorium on development approvals for the South Mission/Pandosy Sector where height and density exceeded the 2020 OCP designation.

CHAPTER 6
RECOMMENDATIONS

This Chapter begins by presenting the consultants' recommendations to senior staff and Council. The Chapter then identifies the (suggested) top-priority recommendations, and provides some comments on implementation.

The consultants' recommendations listed here are designed to address the issues identified in Chapter 4, and the need for process efficiency improvements as revealed in both Chapters 4 and 5. The recommendations presented here are intended to complement, but also to build on and take further, the initiatives identified in Chapter 3 that have been introduced — or are in the process of being introduced — as a result of staff's internal review of the District's development approval process.

RECOMMENDATIONS

➤ **Education & Awareness**

Council and staff need a clear understanding of the role and importance of new development in the local economy. The District should consider identifying, in future financial plans, revenues and expenses associated with new development.   Council, particularly at the time the new Council is elected, would also benefit from a review of the development process and its roles and responsibilities in the process.

➤ **Mission Regarding Development Approvals**

Senior staff and Council need to establish a clear sense of how the District chooses to approach the review of applications for development. What is the Districts' mission regarding development approvals? Does the District wish to attract, encourage and facilitate good development?   Does the District wish to embrace a collaborative, problem-solving approach with developers?

Once clear, the District's mission needs to be communicated throughout the organization and conveyed to key stakeholders in the development process, including the local development community, the business community, neighbourhood associations and the public at large. The mission should guide decision-making, staffs' interpretation of regulations, and the tone of exchanges with development applicants and others. It should also inform strategic documents such as Council's *Strategic Priorities Plan*.

> **Development Services Department**

The District should consider establishing a dedicated Development Services Department to combine the application review and approval functions that are spread, at present, across three different departments. The new department would bring together the planning, engineering, plan checking and inspection resources required to deal with all key permits and approvals. The reorganization would help to build a strong culture around the District's mission regarding development applications. It would also provide for opportunities to streamline review processes, and to improve internal communication and the level of consistency in staff interpretations of key provisions. Service to developers would be improved as well.

> **Targets, Tracking & Monitoring**

Targets should be established for key elements of development reviews. Success in meeting targets should be monitored using a file tracking system. These tools would help to manage workloads across reviewers, monitor and track application loads and trends, and communicate with applicants. A detailed review of the existing tracking systems would be needed to determine the full range of improvements that would be necessary.

> **Pre-Application Review Process**

The District should revise and formalize its pre-application review process. Under a new, formal process, applicants would have the opportunity (and be expected) to outline their proposals before going to the expense of having to assemble all of the information required for a full application. The Development Review Committee would review the proposal and provide preliminary verbal feedback, along with a consolidated written summary of the information items required of the developer.

This change would lead to a more collaborative approach than at present, would provide insight for the applicant into the feasibility and challenges of the proposal, and would establish a high degree of intake rigor and level of information when the formal application is submitted.

> **Responses to Applications**

Clear, consolidated and consistent direction should be provided to the applicant to outline, for each application type, the requirements that must be met, and the information that must be submitted, *at each stage of the approval process*. In providing such direction, staff should be careful to ensure that guidelines and

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suggested best practices are distinguished from actual requirements. Staff should also present the staff position to the applicant in a face-to-face meeting.

➤ **Advancing Applications to Council**

In West Kelowna today, it would appear that key elements of the existing land use planning framework — elements that were put in place prior to incorporation — are not supported by Council. Council's lack of clear support creates a void and leaves staff in the position of having to infer from a variety of sources — earlier Council decisions, on- and off-the-record conversations with Council members and senior staff, experiences in other communities in which staff worked — exactly what Council is, or is not, likely to accept with respect to development applications. In this environment, staff take on significant responsibility, authority and risk, and in so doing, become at times overwhelmed to the point of indecision. The introduction of community amenity contributions without clear policies may further complicate this issue.

Developers have indicated that on technical review issues, the staff level is often the place where they would prefer issues to be resolved. On issues that are perceived to be more political in nature, or that have equally legitimate but different interpretations, developers would prefer staff to forward the application to Council for a decision. District staff should establish internal guidelines to help determine when to forward reports to Council for consideration, with or without a supportive staff recommendation.

➤ **Subdivision Regulations**

A developer's business model is impacted significantly by the predictability and stringency of subdivision standards. RDCO's *Subdivision and Development Servicing Bylaw* No.704 (1996) — which remains in force in West Kelowna — has been questioned internally and by the development sector as an outdated document that, among other issues, does not recognize the development constraints of the District's remaining land base. The bylaw is being reviewed by the District, but is being examined using a process that itself is creating difficulties. The District has not publicized its terms of reference for the project, the objectives it seeks to achieve, or the schedule it is following. There has also been no formal consultation on the bylaw or on key subdivision issues with major stakeholders, including the development sector. The general lack of transparency surrounding the review process is adding to a sense of uncertainty in the development sector, and has fuelled suspicion that the District is using the old bylaw but "cherry-picking" from items being considered for the amended regulations.

The requirements that are ultimately included in subdivision bylaws, and the ways in which such requirements are met by developers and interpreted by

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staff, are of significant importance to the development of a community. In view of this importance, the District should, at a minimum, set out and make available to interested parties a project plan and set of objectives for the subdivision bylaw review that is now underway.

➤ **Neighbourhood Plans**

District staff have noted that the majority of the remaining developable land in West Kelowna is owned by a limited number of families and developers who have been active in the community for many years. Some of these land owners have worked with authorities and have spent considerable resources to establish neighbourhood-level planning frameworks. The same owners have made significant investment decisions based on the direction set out in these frameworks.

The ability of these land owners to proceed through the rezoning and subdivision portions of the overall development approval process approval, without the "goal posts changing" is critical to ensuring efficient and cost-effective development, and to establishing the reputation of the District as jurisdiction that recognizes the importance of regulatory certainty and predictability to the development industry. Staff recommendations to Council should recognize clearly the policy framework the neighbourhood plans that are in place. Any deviations from the plans should be identified and explained clearly.

➤ **Developer Liaison Meetings**

The District should continue to host the Developer Liaison Meetings. This forum provides an opportunity to roll out the implementation of agreed upon recommendations.

➤ **Community Consultation**

Council policy to provide for community consultation above and beyond statutory requirements is written to allow staff to determine if the proposal represents for a "significant" change to a land use or development permit. Proposals that are deemed to be "significant" are put before a community meeting for input. Such meetings can serve to raise community concerns that would otherwise arise at the time of a statutory public hearing (in the case of a rezoning application) as "win-lose" issues between the community and the applicant. Raising and resolving these concerns through the community meeting process, prior to a public hearing, can function to reduce the overall time of the application process, and can save staff and council resources related to multiple public hearings. It should be noted however, that many applicants see the

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➤ **Building & Regulatory Services**

The Building & Regulatory Services Department should continue to look for opportunities to consolidated building and fire inspections and to contract-out routine inspections that are required as a result of Council policy changes or new District initiatives that create spikes in staff workload (e.g., new sewer connections initiative).

➤ **Authorization to Prepare a By-law**

The District's Authorization to Prepare By-law process allows staff to go forward to Council to request direction on major issues affecting significant applications. This has been a useful tool to have in place during the development of the District's framework of master plans. The District should commit, however, to eliminating the tool once the new plans are in place.

PRIORITIES FOR IMPLEMENTATION

All of the recommendations are important and are put forward for careful consideration by the District. Certain recommendations, however, may be treated as high priority items for early implementation. High priority recommendations are suggested as follows:

➤ **Development Services Department**

A decision to consolidate development review functions in a new Development Services Department would help the District to capture the benefits noted earlier. Specifically, it would:

- facilitate efforts at the District to build a strong culture around the local government's mission regarding development applications
- provide further opportunities to streamline the review process
- provide opportunities to improve internal communication and the level of consistency in staff interpretations of key provisions

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The decision would also, importantly, send a strong signal to the development community that the District is committed to doing business differently.

The District should consider moving on the recommendation for a new department before tackling the other recommendations. The formation of a new department focused on development review would automatically result in the creation of a new development services team. This team would play the lead role in implementing many of the other recommendations, including in:

- helping to define the District's *Mission Regarding Development Approvals*
- pursuing the necessary improvements to the District's *Responses to Applications*, in particular in establishing clarity around which items to require from developers at each stage of the application process
- revising the structure and approach of the *Pre-Application Meetings*
- helping to define criteria to identify development proposals that would benefit from additional *Community Consultation*
- setting targets and putting in place a tracking system to address concerns raised under *Targets, Tracking & Monitoring*

➤ **Advancing Applications to Council**

At present, there is a backlog of development applications in the development approval process at the District (despite the fact that submissions were down in 2010 and early 2011). Staff should work quickly to bring forward as many applications as possible, even in cases where staff are not willing to recommend approval.

➤ **Subdivision Regulations**

The District should develop, and share with stakeholders, a project plan for the review of its *Subdivision and Development Servicing Bylaw* No.704 (1996).

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APPENDIX
LIST OF CASES STUDIED

The District of West Kelowna provided the consultants detailed files associated with five development applications, as outlined in Figure A1. The consultants reviewed the files to aid in understanding the aspects of the District's application process that constrain process efficiency, as well as the aspects of the process that are working well. The file review was not exhaustive in nature; however, the process did raise and/or confirm some key points for further discussion and consideration. These points are identified and addressed in the body of the *Report*.

Figure A1
Cases Studied

Case	Application	Applicant	Location	Type	Approval *
1	DP-10-12	Kira Stonemark Developments	Peak Point Court	Development Permit for 36 Duplex/Triplex Units · Form and Character · Hillside · Terrestrial · Wildfire	3.5 months
2	DVP-10-10	Ryser Developments	Paramount Drive	Variance · Minimum building setback from a highway	2.5 months
3	DP-09-11	Alta View Holdings	Stevens Road	Development Permit for auto body repair shop · Industrial · Terrestrial	4.5 months
4 & 5	Z08/05	Victor Projects	Vineyard Drive (and area)	Zoning Bylaw Amendment · RU2 to RU1 OCP Amendment · ESA revisions	2 years, 8 months
6	SUB 08/0021	MacLean Homes	Smith Creek Road	9 Lot Subdivision	2 years, 9 months

*   Approval measures the time between the application submission and the time of approval.

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