

Streamline Development Approvals Fund

Presented To:	Finance and Administration Committee
Meeting Date:	March 29, 2022
Type:	Managers' Reports
Prepared by:	Kris Longston Planning Services
Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This report provides a recommendation regarding the City's application to Ontario's Streamline Development Approvals Fund (SDAF).

Resolution

THAT the City of Greater Sudbury undertake the projects as outlined in the report entitled "Streamline Development Approvals Fund", from the General Manager of Growth and Infrastructure presented at the Finance and Administration Committee on March 29, 2022;

AND THAT any funds granted to the City from the Streamline Development Approvals Fund be used to fund the projects outlined in Appendix A;

AND THAT the funds previously approved to fund LMIS be used to fund the projects;

AND THAT up to \$500,000 to ensure the completion of the projects be funded from the Capital Holding Reserve.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report identifies projects and funding directly targeting Council's strategic goal to "Expand Affordable and Attainable Housing Options". The funding also targets the Community Energy & Emissions Plan (CEEP) goal to "Achieve Energy Efficiency and Emissions Reductions by Creating Compact, Complete Communities".

Financial Implications

The City of Greater Sudbury is approved to receive up to \$1.75 million towards improving municipal development approval processes.

Staff have identified potential development streamlining projects for which the funding could be used for.

These projects, included within Appendix A, total approximately \$3.5M. Staff are seeking direction on funding these projects using the following sources:

1. Streamline Development Approvals Fund - \$1,750,000
2. Funds previously approved to fund LMIS (Phase 1) and support one stop service - \$1,480,000
3. Capital Holding Reserve – up to \$500,000

It should be noted that, if approved, the funds allocated to fund LMIS will be redirected to the initiatives in Appendix A rather than returned to the respective holding account / Building Permit Revenue Stabilization Reserve Fund.

It should also be noted that the final funding amount from the SDAF will not be known until March of 2023, as a result staff are seeking direction to access up to \$500,000 from the Capital Holding Reserve to ensure that the identified projects are funded to completion.

Background

Streamline Development Approvals Fund

CGS successfully applied to the Province's Streamline Development Approvals Fund (SDAF). The fund is geared towards improving municipal development approval processes with the goal of streamlining residential development applications in Ontario. Under the agreement, CGS is eligible for up to \$1,750,000 in funding. A key component of the agreement is the requirement that the eligible funds be spent prior to March 1, 2023.

The SDAF parameters specify that the funding must be used for eligible projects generally within four streams; 1) consulting fees related to process and/or policy improvements targeting residential development approvals and as of right residential zoning, 2) costs associated with implementing E-permitting systems, including software and hardware, 3) improving data, work flow or online guidelines that help streamline residential development approvals, and 4) diversity internships in building and planning departments. These funding streams closely align with the Province's recently released "Housing Affordability Task Force Report" which identified planning policy changes to encourage more "as of right" residential density permissions and the municipal implementation of E-permitting systems as key tools for accelerating new home construction.

Under the terms of the SDAF agreement, costs must be incurred between January 19, 2022 and February 28, 2023. Upon receipt of the executed agreement, the Province will advance 50% of eligible funding (\$875,000) within 30 days. CGS is required to submit an interim report to the Province by April 22, 2022 outlining how the funds are intended to be spent, along with documentation of costs incurred to date. By February 28, 2023, CGS is required so submit a final report to the Province documenting how the funds were spent, after which the Province will flow up to the remaining \$875,000. Per the SDAF agreement any unspent funds would have to be returned to the Province.

SDAF Alignment with CGS Initiatives

It should be noted that the City has already completed, is in the process of implementing, or has included in the 2022 Work Plan projects that align with the SDAF streams. These already completed initiatives include the City's Affordable Housing CIP, Second Unit Policies, Lasalle Corridor up zoning and residential parking reductions. Projects that have been approved, funded and are underway include the implementation of LMIS Phase 1, which would see Building Services and Planning Services move to an E-permitting system in 2022. Projects that are included in 2022 Work Plan feature continued work on the City's Nodes and Corridors Strategy, a report on housing action items, a review of community improvement plans and parcel fabric automation.

The City's current and future focus on residential development is well aligned with the Province's goals of streamlining residential development. The SDAF provides a unique opportunity for the City to leverage Provincial funding to make further improvements to development streamlining, including funding additional projects that are not currently part of the City's work plan.

CGS Projects Eligible for SDAF Funding

Staff have reviewed the SDAF parameters and have assembled the attached list of potential development streamlining projects for which the funding could be used. Some of the identified projects are already funded, resourced and included in the 2022 Work Plan (e.g. LMIS Phase 1). Other projects would help streamline development approvals but are not currently approved or resourced. The identified projects include:

- Undertaking Phase 2 of LMIS, which would enable E-permitting for additional City departments and commenting agencies that review development applications (e.g. By-law Services, Fire Services, Conservation Sudbury).
- Undertaking planning studies related to as of right residential zoning permissions
- Undertaking studies and mapping to bring more certainty to the development approval application process
- Undertaking a LEAN review of development approval process
- Developing joint business plans for City departments engaged in development approvals
- Acquiring new and digitizing historical data to support the development approval process

The list of potential SDAF projects along with high level estimates of costs and timelines is attached, with a total anticipated cost of approximately \$3.5M, which exceeds the SDAF maximum eligible amount by approximately \$1.75M. It is important to note that the project amounts and timelines will become more refined once the projects are fully scoped and proceed through the procurement process. At this time, it is anticipated that approximately \$1.48M will be spent in 2022 to implement Phase 1 of LMIS (highlighted in green on Appendix A), which would leave approximately \$270,000 of potential SDAF funding to undertake other projects within the one year time frame. Should Council approve all the projects on the list and direct staff to redirect any reimbursed funds from Phase 1 of LMIS, additional funding may be required to complete the projects. The final amount would be depended on the amount of funding that is reimbursed from the Province under the SDAF and the final costs of the projects once the terms of reference are further defined and proceed through the procurement process. To ensure that the projects are completed, it is recommended that staff be directed to use up to \$500,000 from the Capital Holding Reserve to complete the projects identified in this report.

Project Rationale and Anticipated Outcomes

The projects above were selected due to their alignment with the SDAF funding parameters in addition to their ability to further enhance development streamlining work already underway at the CGS. Expansion of LMIS beyond Building and Planning Services would enable other regulatory departments to move to electronic file management, commenting and permitting, leading to more efficient processing of development applications. As of right zoning studies are anticipated to identify opportunities for further flexibility in the City's land use planning framework for residential development. Study scoping and hazard land mapping improvements are intended to bring more certainty and efficiency to the development process by clearly identifying those areas will require additional background work and those that will not. Business plans and LEAN reviews will ensure alignment between CGS departments responsible for development approvals and help identify areas where further efficiencies could be realized. Finally, improvements to the City's Enterprise GIS processes and data (e.g., property fabric, road network, water and waste water infrastructure) to ensure it is always current, accurate and complete, will lead to faster response times on development applications.

Timelines

The SDAF stipulates that only costs incurred between January 19, 2022 and March 1, 2023 are eligible. Many of the identified projects that are not currently approved or included in the 2022 Work Plan will be

difficult to complete within the SDAF deadlines due to the need to scope the projects, proceed through the City's procurement process and finalize within a year while still managing currently approved work plans. This would create risk in that the City could commence the projects but not complete within the one year funding window leaving them unfunded. As result, staff are seeking Council direction to undertake the identified projects and use any reimbursed funds from the SDAF for LMIS Phase 1, along with additional funding from the Capital Holding Reserve to complete the projects outside of the one-year funding timelines. This will ensure that the projects are undertaken, completed and the improvements realized within a realistic timeline.

2022 Work Plan Impacts

As discussed, apart from those related to LMIS Phase 1, the identified projects are not approved and are not included in the 2022 Work Plan. To undertake these projects would impact the lead department's ability to compete its 2022 Work Plan. In some cases, this would mean not undertaking 2022 Work Plan projects and in others it would extend the projects beyond 2022. As a result, staff are seeking to undertake these projects and include them in future work plans.

Conclusion

The SDAF presents an opportunity for the City to leverage Provincial funding to undertake several projects that would further help streamline residential development approvals. The opportunity would see the City access the available funds for costs expected to be incurred in 2022 for SDAF eligible projects that are already funded and approved (LMIS Phase 1) and reinvest those funds into completing the remaining, unfunded projects on the list with up to \$500,000 available from the Capital Holding Reserve if required. This strategy would maximize the benefits to the City by ensuring that sufficient funding and time was available to complete the projects on the list. This strategy would require Council to 1) direct staff to undertake all the projects as part of 2022 and 2023 Work Plans, 2) direct staff to reinvest any SDAF funding received for previously approved projects back into completing the projects outlined in this report, and 3) authorizing up to \$500,000 to be drawn from the Capital Holding Reserve to ensure completion of the projects. This amount will be further refined closer to the February 28th, 2023 date when the SDAF funding expires.

Appendix A

Project Funding Stream	Name of Project	Estimated Cost	Anticipated Timeline	Lead Department	Anticipated benefit to Development Approval Streamlining	Eligibility with Streamline Development Approval Fund parameters	Risks/Notes
Consulting Fees for Policy and Process Improvements	Species at Risk Area Scoping	\$100,000	12 - 18 months	Planning Services	Provides additional clarity on where species at risk studies will and won't be required. Removes risk for development as these studies are time sensitive and can only be done in certain seasons.	Med - work would assist in streamlining development approvals.	Completing the study within the 1 year funding window.
	As of Right Zoning Review	\$75,000	<12 months	Planning Services	Identify opportunities for providing additional as of right zoning permissions for residential development.	High - directly mentioned in funding announcement	Completing the study within the 1 year funding window.
	Building Bylaw Amendment	\$50,000	12-18 months	Building Services	Building By-law update to streamline review and include internal and external policy frameworks not currently captured. Benefit to development: provides clarity and consistent structure for building permit process and fee structure outside of the User Fee By-law	High - directly mentioned in funding agreement	Completing the study within the 1 year funding window.
	Develop Park Standards for Subdivision Manual	\$50,000	12 months	Leisure Services	This project would develop parkland and trail standards for the City's subdivision manual. This would provide clarity on park requirements for development applications, removing uncertainty and reducing review timelines.	Med to High - work would assist in streamlining development approvals.	Completing the study within the 1 year funding window.
	Joint business plan for Building Services, Planning Services, Engineering Services and Infrastructure Capital Planning	\$150,000	12 months	Planning Services, Building Services, Engineering Services and Infrastructure Capital Planning	Ensure alignment of Growth and Infrastructure sections and other CGS departments on the processing of development applications. Identify opportunities for structural improvements and succession planning.	High - directly mentioned in funding agreement	Completing the study within the 1 year funding window.
	LEAN review of development approval process	\$50,000	12 months	Planning Services	Review development approval process and identify opportunities for streamlining. Establish benchmarks and KPIs for development review and commenting.	High - directly mentioned in funding agreement	Completing the study within the 1 year funding window.
	Refinement of Flood Plain and Erosion Mapping within the Settlement Boundary	\$250,000	12 - 18 months	Planning Services/ Conservation Sudbury	Would reduce the need for site specific floodplain and erosion hazard mapping.	Med to High - work would assist in streamlining development approvals.	Completing the study within the 1 year funding window.
	Update Lot Grading Policy	\$50,000	12-18 months	Planning Services/ Building Services	Would review and streamline the current policy for lot grading	High - directly mentioned in funding agreement	Completing the review within the 1 year funding window.
Subtotal	\$725,000						
E Permitting	Land Management Information System (LMIS) (Building and Planning Implementation)	\$443,000	2022	Growth & Infrastructure	Enables online e-Permitting for customers and digitized workflows for development and building applications. Also can track and report processing time.	High - directly mentioned in funding agreement	Low risk, project approved, funded and underway. Streamline Development Funding can be used to cover expenses budgeted for in 2022 and City funding could be used for Phase 2 of LMIS
	Contract and Consulting Staff	\$55,000	2022	Corporate Services	Systems Analyst assigned to build the e-permit solution	High - directly mentioned in funding agreement	Low risk, positions are in place and funded
	Accela - software license for 2022; LMIS goes operational May 2022.	\$526,320	2022	Growth & Infrastructure	Need for the e-Permitting implementation above in the first year. Subsequent years will be covered by the City.	High - directly mentioned in funding agreement	Low risk, project approved, funded and underway. Streamline Development Funding can be used to cover expenses budgeted for in 2022 and City funding could be used for Phase 2 of LMIS
	Bluebeam software w/integration to Accela	\$81,400	>12 months	Corporate Services	PDF editing software, recommended as an enhancement over Adobe Pro to allow electronic review of permit applications. The activity here also designs and builds integration to Accela.	High - directly mentioned in funding agreement	Completing the integration within the 1 year funding window.
	32" Monitors for Building Services	\$17,000	< 12 months	Corporate Services	Hardware to assist with digital review of permit applications	High - directly mentioned in funding agreement	Low risk, software would assist and enhance LMIS implementation
	Mobile hardware for development and inspections	\$80,000	< 12 months	Corporate Services	Hardware to assist with digital review and processing of permit applications	High - directly mentioned in funding agreement	Low risk, hardware would assist and enhance LMIS implementation
	Adobe Pro for Development	\$7,169	<12 months	Corporate Services	Adobe Acrobat Standard DC for teams, 34 licenses/ 1 year - Planning, Building Svcs and IT support plans review automation	High - directly mentioned in funding agreement	Low risk, software would assist and enhance LMIS implementation. Adobe Pro will be integrated with Acela as part of the current LMIS implementation.
	Building Services Temporary Staff to assist with LMIS implementation	\$75,000	2022	Building Service, Corporate Services	2 staff hired in Building Services under Development Desk Pilot Program, 1 staff hired in Building Services to implement LMIS, 2 Staff hired in IT to implement LMIS project	High - directly mentioned in funding agreement	Low risk, positions have been filled and directly relate to Epermitting implementation and reducing building permit backlogs
	eSignatures for e-Permitting	\$16,000	< 12 months	Corporate Services	Implement and purchase first year of Adobe Sign licenses to enable digital signatures by development and permitting staff and their customers (5000 signatures) .	High - directly mentioned in funding agreement	Low risk, software would assist and enhance LMIS implementation. Some risk due to availability of Legal staff to make any required changes to enabling policies.
	Temporary Staff for Committee of Adjustment	\$65,000	12 months	Planning Services	1 temporary staff to assist with processing Committee of Adjustment Applications.	High - directly mentioned in funding agreement	Low risk, positions can be filled within funding timelines.
	Development Desk Pilot Positions	\$115,000	2022	Building Services	These pilot positions are assigned to the development desk located that the City's new one stop shop. These contract positions will assist in more efficiently processing building permits and planning applications.	High - directly mentioned in funding agreement	Low risk, positions have been filled and are in place to assist with more efficient processing of building permits and planning applications.
LMIS Phase 2	\$700,000	18-24 months	Corporate Services, Building Services, Engineering Services, By-law, Fire, Conservation Sudbury	Expand E-permitting system (LMIS) to other City departments and external agencies, including Engineering Services, By-law, Fire and Conservation Sudbury. The budget amount assumes Phase 2 will be approximately 2/3 the size of Phase 1.	High - directly mentioned in funding agreement	This project would scope and identify the costs associated with undertaking LMIS Phase 2. This project could not be undertaken within the 1 year funding window; in fact it would start at or near the end of Phase 1. The project scope shall be constrained by the budget.	
Subtotal	\$2,180,889						
Data/ Application/ Workflow	Automate parcel fabric updates	\$50,000	6 - 8 months	Planning Services	Automate workflow to accommodate "real time" updates to the City's parcel layer. This would expedite development approval process such as municipal addressing and building permits.	High - directly mentioned in funding agreement	Completing the automation within the 1 year funding window.
	Automate bringing C plan data into GIS asset models	\$100,000	12 months	Planning Services, Engineering Services, Corporate Services	Filling in as-built gaps with data and automating workflows, will show infrastructure prior to completion of as-built drawings. This would ensure up to date infrastructure information is available for reviewing development applications.	High - directly mentioned in funding agreement	Completing the automation within the 1 year funding window.
	Enterprise Content Management (ECM) Assessment and Plan	\$100,000	12 months	Corporate Services	Phase 1 of a project to assess and inventory available information and plan an ECM solution to securely store, and provide easy search and access to information for the staff and public. Subsequent phases of the project would, upon Council approval be funded by the City.	High - directly mentioned in funding agreement	Completing the study within the 1 year funding window.
	Historical Permit and Development File Digitization	\$100,000	12 months	Building Services, Planning Services, Engineering Services	Digitization of paper files into searchable PDF	High - directly mentioned in funding agreement	Costing dependent on number of temporary staff. Digitizing all relevant files would take more than 12 months.
	Data Acquisition and Digitization	\$200,000	12-24 months	Planning Services, Engineering Services	This project would see the acquisition and digitization of engineering documents and datasets for inclusion in the Enterprise GIS system. This would lead to efficiencies in the permitting process and all required documents would be readily available to access and review. Data sets to be digitized include but are not limited to rail crossing agreements, historical site plans, utility easements, historical traffic count data, municipal consents.	High - directly mentioned in funding agreement	Significant amount of files to be located or purchased, documented, digitized and incorporated into online databases. This project would likely exceed the 1 year funding window.
Subtotal	\$550,000						
Diversity Internship	Development Desk Internship Pilot	\$40,000	18-24 months	Building Services	Offering qualified internships to (2) students /graduates to diversify building and planning departments for longevity, growth and development tying into the HCMF focus on the development of a DEI policy framework.	High - directly mentioned in funding agreement	Ability to retain employees after funding has expired.
Subtotal	\$40,000						
All Projects	Grand Total	\$3,495,889					