

## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **July 20, 2023**

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

SUBJECT: **Quarterly Update on the Guaranteed Permitting Timelines and Process Improvements – Q2 2023**

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## RECOMMENDATION

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

## INTENT

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

## DISCUSSION

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

As indicated in Appendix “I”, the processing time for all in-scope permit types is at or below the established guaranteed targets, except for Site Servicing reviews, which exceeded the established processing time but an improvement over Q1 2023. New staff resources have been onboarded to assist with Site Servicing reviews and the associated processing time is expected to be reduced in the coming weeks. The Tenant Improvement processing times have been increasing in the last quarter and are currently at 10 weeks. Two Plan Reviewers have been hired to maintain the Tenant Improvement processing times below the 10-week target.

After record years in 2019, 2021, and 2022, demand for development seems to be slowing in Surrey, with reduced applications in all permit types, as compared to Q2 2022.

Although there appears to be a slowdown in development applications, recognizing that borrowing costs and other inflationary factors remain high, Planning & Development and Engineering are committed to taking actions to improve housing affordability; therefore, staff are continuing to monitor and refine the guaranteed permitting timelines through a continual improvement framework. Improvement initiatives, as generally described below, will be implemented progressively with continued updates to Council through quarterly reports.

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

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

Staff have started work to include Single-Family, Renovation/Addition Building Permits, Electrical Permits, and Plumbing Permits into the guarantee and anticipate launching these new Guaranteed Permit Types in Q3 2023.

### Online Permitting Portal

The City continues to develop new functionality for the online permitting portal. With the deployment of the online building inspection request features well underway, staff are focusing on growing adoption of online building inspections requests, providing enhanced access to permit status, improved awareness of inspection requirements and significant time saving for contractors and staff.

Development of new online functionality includes Plumbing permits inspection requests and Cross Connection Control permits data management. These new features are expected to launch in Q3 2023.

### Housing Accelerator Fund

On June 14, 2023 the City applied for the Housing Accelerator Fund (“HAF”). If successful, this three-year grant could enable significant policy updates and process improvements to accelerate the pace and enhance the certainty in the approval process. The City’s application is currently under review and a decision is anticipated in Q3 2023.

### **Next Steps**

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

### **CONCLUSION**

The Guaranteed Permitting Timelines and the associated development approval processes are continuing to provide significant positive impact on regional and provincial growth and overall community access to housing.

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Appendix “1” Permit Processing Time Overview

Permit Type	Established Guaranteed Targets	Current Processing Time	Quarterly Processing Time				
		July 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Single-Family	10 weeks	6.4 weeks	5.9 weeks	6.4 weeks	6.9 weeks	7.7 weeks	9.0 weeks
Tenant Improvements	10 weeks	7.4 weeks	10.0 weeks	8.7 weeks	9.0 weeks	9.6 weeks	9.4 weeks
Rezoning, Single-Family	12 weeks	11.6 weeks	11.6 weeks	5.6 weeks	8.1 weeks	12.2 weeks	11 weeks
Rezoning With DP (Multi-Family, Commercial, Industrial)	16 weeks to 20 weeks*	13.6 weeks	13.6 weeks	12.4 weeks	12.6 weeks	7.6 weeks	9.8 weeks
Site Servicing Reviews (related to Servicing Agreements)	2.5 weeks	3.4 weeks	3.7 weeks	4.0 weeks	2.8 weeks	2.8 weeks	2.4 weeks

\* for projects requiring Advisory Design Panel review

**Single-Family Building Permits Processing Times**

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

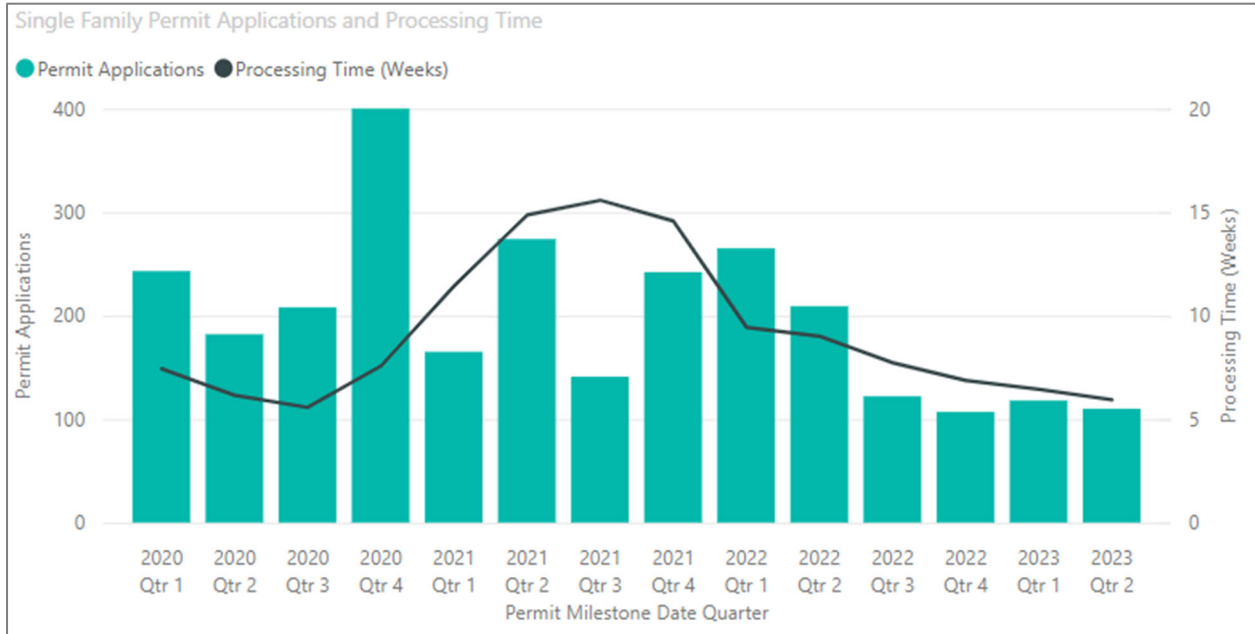
Annually, the City receives an average of 850 new Single-Family Building Permit applications.

In Q2 2023, the City received 110 new Single-Family Building Permit applications, which is 47% lower than the number of applications received in the same quarter last year. Year-to-date, the City has received 52% less applications than last year.

The processing time in Q2 was 5.9 weeks, a slight improvement over Q1 2023.

The current processing time for a Single-Family Building Permit is 6.4 weeks, based on the processing time in the last 30 days.

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



### Tenant Improvement Building Permits Processing Times

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

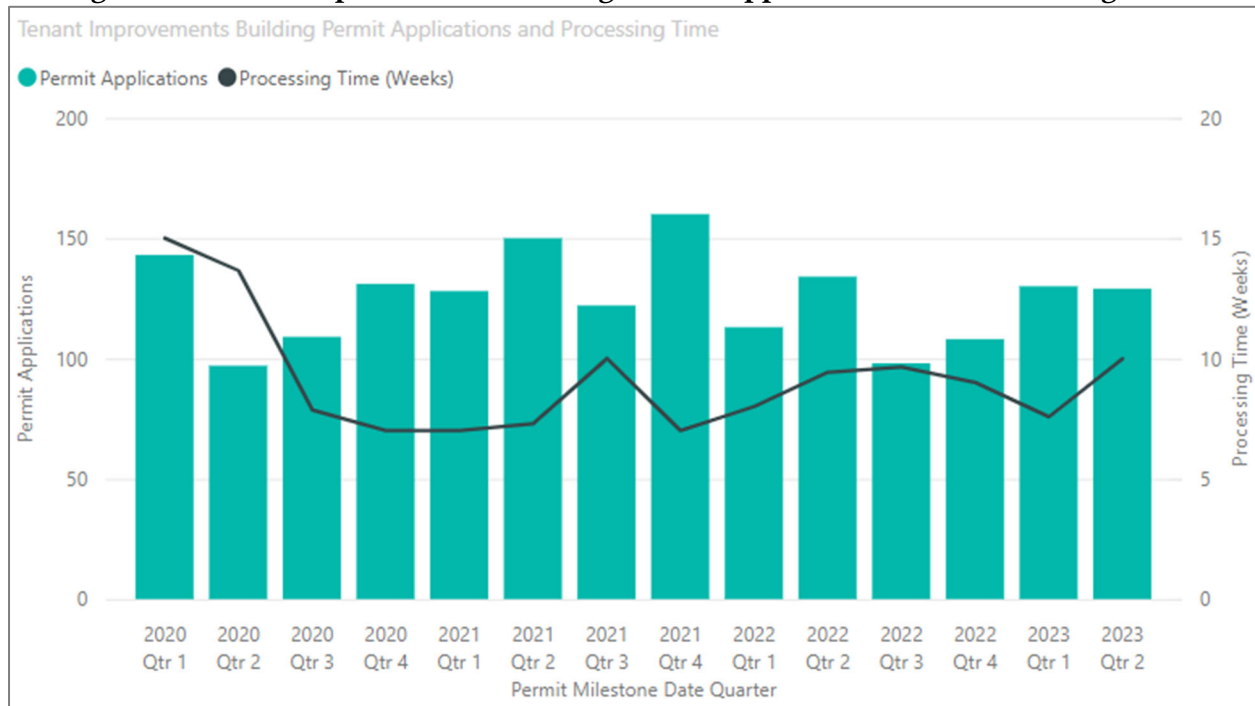
Annually, the City receives an average of 520 Tenant Improvement Building Permit applications.

The City received 129 Tenant Improvement Building Permit applications in Q2 2023, which is 4% lower than the number of applications received in the same quarter last year. Year-to-date, the City has received 5% more applications than last year.

In Q2 2023, complete applications were processed with a processing time of 10.0 weeks. This represents a 31% increase in processing time as compared to Q1 2023 and is still meeting the established target guarantee of 10 weeks. Two new staff have been onboarded to help process permits and maintain the processing times below the established target.

The current processing time for a Tenant Improvement Building Permit is 7.4 weeks, based on the processing time in the last 30 days.

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



### Rezoning

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

Annually, the City receives an approximately 130 new Rezoning Applications, including simple rezoning, rezoning with Development Permit (“DP”), and rezoning with DP and Plan Amendments. Over 46% of rezoning applications contain plan amendments and are not part of the Guaranteed Permitting Timelines program, due to being inconsistent with City Plans, which leads to longer processing times, resubmissions, and potential denials.

#### Simple Rezoning

In Q2 2023, the City received eight Simple Rezoning applications (rezoning applications with no corresponding DP), 20% lower than the same quarter last year. Year-to-date, the City received 50% less simple Rezoning applications than last year.

In Q2 2023, the City processed six Simple Rezoning applications with a processing time of 11.6 weeks, below the 12 weeks target. Four applications had to be excluded from the Guaranteed Permitting Timelines, due to applicants being unresponsive to update requests, or submitting last minute changes in scope, triggering additional staff reviews or new requirements.

The current processing time for Simple Rezoning applications is 11.6 weeks, based on complete applications processed in the last six months.

Rezoning with Development Permit

The City received 11 Rezoning Applications with DP in Q2 2023, 15% lower than the same quarter last year. Year-to-date, the City received 4% more Rezoning Applications with DP than last year.

In Q2 2023, the City processed four Rezoning Applications with DPs with a processing time of 13.6 weeks, below the 16 weeks target. Two applications had to be excluded from the Guaranteed Permitting Timelines, due to applicants submitting last minute changes in scope, triggering additional staff reviews or new requirements.

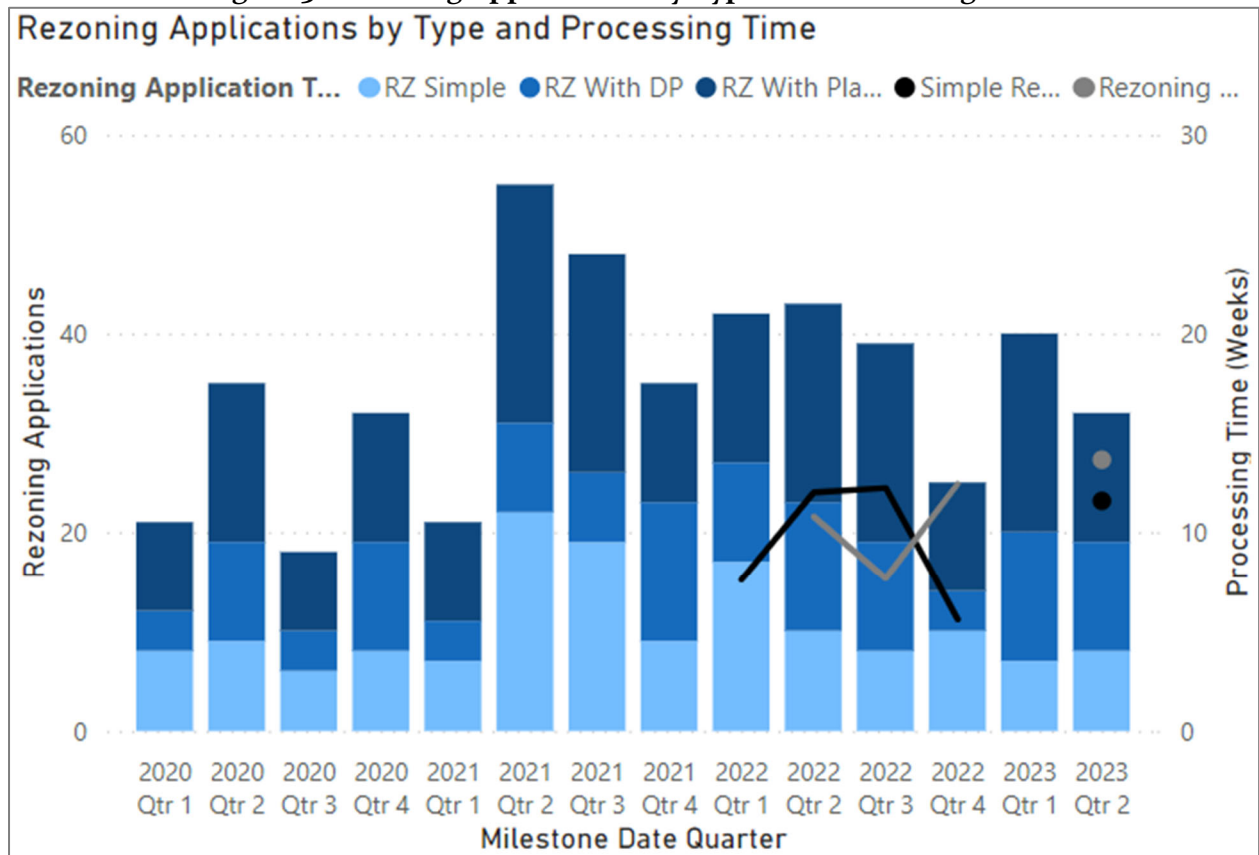
The current processing time for a Rezoning Application with DP is 13.6 weeks, based on applications processed in the last six months.

Rezoning with Plan Amendments

In Q2 2023, the City received 13 Rezoning applications with Plan Amendments, 35% lower than the same quarter last year. Year-to-date, the City received 6% less Rezoning applications with Plan Amendments than last year.

The City processed 16 Rezoning applications with Plan Amendments in Q2 2023.

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



### Site Servicing Reviews Processing Time

The Site Servicing Reviews Processing Time is measured from when each drawing iteration is submitted by the developer’s engineer to when it is reviewed and comments are provided by the City to the developer’s engineer.

In Q2 2023, the City completed 9% more engineering drawing reviews than in the same quarter last year. Year-to-date, the City has completed 6% less drawing reviews than last year, based on applicant submissions.

Staff will be taking the following actions to substantially reduce processing time:

- Facilitate engineering development forum to explore opportunities to expedite drawing reviews, improve submittal completeness, modify, streamline, and/or eliminate processes to expedite timelines;
- Seek opportunities to improve Erosion and Sediment Control, Soil Deposition & Removal, Driveway, Road Usage, and Traffic Management Permit processes, including recommending bylaw amendments;
- Pilot expedited processing with pre-qualified consultants and projects, consistent with a professional reliance based approach;
- Explore reallocation of existing staff from within the department to assist with processing; and
- Continue recruitment to fill staff vacancies.

**Figure 4: Site Servicing Reviews Processing Time**

