THE CORPORATION OF THE CITY OF SARNIA People Serving People

COMMUNITY SERVICES DIVISION

NON-AGENDA REPORT

TO: Mayor and Members of Council

FROM: Eric Hyatt, Manager of Planning & Development Services

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DATE: October 26, 2023

SUBJECT: Streamline Development Approval Fund – Final Report

Background:

The Streamline Development Approval Fund (SDAF) is a \$45 million provincial program designed to assist Ontario's largest municipalities in modernizing, streamlining and accelerating processes for managing and approving housing applications.

From January 19, 2022, to October 31, 2023, the Streamline Development Approval Fund made up to \$1,000,000.00 available to the City of Sarnia for eligible initiatives that were endorsed by Council on March 21, 2022. The program was initially set to expire on February 28, 2023, however, the province extended access to this fund until October 31, 2023, allowing the City to continue to move projects forward to modernize the development approval process in the community.

Purpose of this Report:

This report is part of the mandatory reporting requirements of the Streamline Development Approval Fund. Many of the projects that have been completed or continue to be underway were a continuation of the ongoing efforts by Council to improve customer service and reduce red tape and were able to be accelerated by accessing these funds.

In summary, the City used the SDAF to procure expert resources to develop the plans, studies and strategies outlined below, along with supporting the continued implementation of Cityworks, Electronic Plans Review and the Public Access Portal to directly benefit the development approval services.

Financial Impacts:

In accordance with the eligibility criteria of the Streamline Development Approval Funding Program, the City anticipates incurring approximately \$1,000,000.00, including non-rebateable HST, in total eligible program expenses, meaning staff were able to spend virtually every dollar allocated through this program.

Any project costs incurred after November 1, 2023, are not eligible for support under the Streamline Development Approval Funding Program. There is sufficient funding within the capital project budget to cover any ineligible expenses related to projects not yet completed.

The following summarizes the projects that have received funding from the SDAF Program:

Affordable Housing Community Improvement Plan:

The City initiated the development of an Affordable Housing Community Improvement Plan (CIP) in 2022. The CIP was supported by a Background Study, including a Housing Needs Assessment, and is focused on programs that will incentivize the development of affordable housing throughout the City, offering both financial and non-financial benefits.

The plan builds on the City's recently adopted Official Plan, which supports residential intensification throughout the City, including higher densities within existing neighbourhoods and along corridors and downtown areas. The CIP also provides reduced parking requirements within the downtown and mixed-use corridor areas supported by transit and within walking distance of daily needs.

It is anticipated that the CIP incentives will encourage the development of affordable housing and the enhanced land use permissions through the Official Plan and Zoning By-law (review underway) will eliminate and/or reduce the need for these types of proposals to require a public approval process through a development application in the future.

Modernized Financial Tools:

The City initiated a series of studies/strategies to understand the different financial tools enabled in recent years, including the Community Benefits Charge (CBC). Staff also pursued an update of the Parkland Dedication Bylaw and the Development Charges (DCs) By-law, key municipal financial tools that have evolved in recent years.

The scope of work included preparing a Community Benefits Charge Study and By-law (if supported), a Development Charge Study and By-law, and a Parks Plan and Parkland Dedication By-law for community consideration.

As these decisions move forward, they will ensure the City is utilizing all available tools to support growth while also providing adequate parkland. It is anticipated that the project will support development by ensuring the City's by-laws are consistent with Provincial Legislation, including exemptions and payment flexibility. The DC Background Study also identifies the required Capital Projects needed to support growth, which will improve transparency and provide clarity in the development process.

Cityworks Implementation:

The City began the multi-year implementation of Cityworks PLL (Permitting, Licensing & Land), a GIS-centric e-permitting system in 2021. To support the implementation, the City undertook a series of projects through SDAF to support the system over the long term, focused on accessibility, transparency, and reliability.

The supportive projects include a Geographic Information System (GIS) Upgrade, Data Migration, implementation of a Public Access Portal and Electronic Plans Review Software, and the development of a municipal Parcel Fabric. Collectively, these projects will support the development approvals process as outlined below:

The Data Migration project migrated historical data from the City's legacy system to Cityworks. Having relevant historical permit data available to staff helps make informed decisions and can reduce review timelines by centralizing data in a single location. It also allowed staff to phase out the use of the historic CityView system and redeploy the resources to support this one-stop-shop investment.

The GIS Upgrade project included the deployment of a development environment for the City's GIS and making sure the state of the City's GIS supports future upgrades to Cityworks to ensure its continued functionality and reduce downtime.

The Public Access Portal, once launched, will provide the public with the ability to apply for permits, check permit status and make payments online during and outside regular business hours. This will support businesses by making these processes more accessible and transparent. With internal and external applications, it is important to ensure the data, including the underlying parcel fabric, is current.

The implementation of DigEplan, an Electronic Plans Review (EPR) application, allows concurrent review of plans, saving time. Since its implementation, the application has already demonstrated efficiencies in the Building Permit review process from receiving a complete application compared to before the implementation. EPR will continue to be rolled out

through various processes, including Site Plan Control and Subdivision approval.

The Parcel Fabric Modernization Project will allow the active management of the underlying parcel fabric so that new lots created through consent or subdivision processes are included in the City's parcel fabric immediately upon creation, allowing permits to be filed right away. Currently, the City's parcel fabric is often months out of date due to reliance on third parties to relay information. Once complete, this will ensure applicants and staff are working from updated information, reducing delays.

Official Plan Update & Zoning By-law Review:

The City initiated the Growth Management work program in September 2020. Following the completion of a Comprehensive Review, the City began work on a new Official Plan, which Council adopted on July 25, 2022. The new Sarnia Official Plan supports intensification at all scales/densities throughout the City.

Following the adoption of the new Sarnia Official Plan, work on a new Zoning By-law began. The new Zoning By-law will implement the direction of the new Sarnia Official Plan and include development standards that are easy to understand and clearly illustrated and supportive of uses that are important from a community perspective. The By-law will also implement changes to the *Planning Act* through recent legislation such as Bill 23, including standards for Additional Residential Units.

It is expected the goals and objectives of the Official Plan, including the support for intensification and flexibility for various scales and forms of housing development, will be realized through the new Zoning By-law. The new Zoning By-law is anticipated to implement recent legislation changes and reduce the need for lengthy approval processes in alignment with the Official Plan. These changes, in addition to the provincial changes to Site Plan Approval, should result in improved and/or reduced approval processes.

Development Area 2 Secondary Plan Update

The City initiated an update to the current Development Area 2 Secondary Plan in 2022. The update will implement the policies of the new Official Plan and incorporate Council's direction to convert the lands (largely City owned) south of Wellington Street for residential and mixed-uses, in addition to providing a more modernized land use framework.

The project includes preparing a Secondary Plan and Schedules, a Demonstration Plan, Urban Design Guidelines and Engineering Design Standards. To assist with the Secondary Plan's development, a Commercial Land Needs Assessment was conducted, along with reviews of transportation, servicing, and natural heritage.

It is anticipated the Secondary Plan Update, through its implementation of the policies of the new Official Plan, will support a broad range of built forms contributing to the spectrum of housing available in the City. This includes intensified corridors and increased housing options in existing and planned residential neighbourhoods.

The plan also implements the conversion of 34.5 hectares of surplus employment lands for residential and mixed uses. This ensures sufficient land is available for development over the planning horizon of the plan. Most of the 34.5 hectares of land is City-owned, which presents an opportunity for the City through a disposition strategy to support development within the community. Between the land use designations and the prepared demonstration plan, the City's new Zoning By-law may include a zoning regime for the lands within DA2 that are currently zoned Interim Use, which may contribute to an improved approvals process.

The development of a series of publicly available Engineering Design Standards, including road layouts, sewer design, etc., will support developers in the design stages of proposed developments and support a streamlined Engineering Review.