



**OPEN FOR BUSINESS:
Toward an Investment Oriented City Hall**

Mayor's Development Review Task Force

July 2008

Dear Members of St. Catharines City Council:

We are pleased to present *Open for Business*, the final report of the Mayor's Development Process Review Task Force.

The Task Force has met on an ongoing basis since December 2007 to identify, discuss and propose solutions to the concerns of the local development community. Through dialogue, we have developed a shared understanding of current concerns, legislative and regulatory frameworks, and best practices in other areas of the province.

During the course of our deliberations, we developed consensus regarding the three most significant areas that must be addressed through this process:

1. the need to identify all municipal requirements from the outset;
2. the need for open and constructive communications between all parties; and,
3. the need for a positive attitude toward development in City Hall.

To address these concerns we have developed recommendations based on six key objectives: a vision for development; a welcoming environment; clear expectations; an integrated approach; commitment to expeditious review; and ongoing communications. Each of these objectives is explained in detail in the following pages.

We would like to acknowledge the assistance of municipal staff in this process: Colin Briggs, Paul Chapman, Paul Mustard, David Oakes, Sandra Burrows, Brian Thiessen; Ed Lajoie and Marco Marino. We are thankful for their input at various points during our deliberations, and appreciate their willingness to share experiences from an administrative perspective.

Development in St. Catharines is evolving and we must ensure that we are collectively equipped to respond to challenges and opportunities. Provincial policies, community improvement initiatives and downtown revitalization plans dictate that now, more than ever, we must work together to build an environment that is conducive to creativity and innovation. This is an exciting, albeit challenging, time for development in St. Catharines and we are confident that, by working together, we will secure a strong future for investment in our community.

To this end, we respectfully submit our final recommendations for your consideration.

Sincerely,

The Mayor's Development Review Task Force:

Mayor Brian McMullan; Councillor Bill Phillips; Councillor Andrew Gill; Rob Baiocco; John Ravenda; Jon Whyte; Tony Difruscio; Tim Kenny; David Cooperman; Glenn Barr; Bob Sennett; Marnie Sennett; Anthony Continelli; Lou Marcantonio; Doug Foss; Mark Hett

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PART ONE: CONTEXT AND RATIONALE

Development is an indicator of economic prosperity and breathes new life into a community. Despite the critical importance of development in our City, investors and municipal decision makers are faced with an increasing breadth of demands that, left unanswered, threaten development in St. Catharines.

The Current Municipal Approval Process

In order to develop an understanding of potential improvements to the development process in the City of St. Catharines, it is necessary to consider the municipal approval process from the perspective of local developers.

The City's current approval process is established within the framework of the Ontario Planning Act. There are three basic phases of the approval process:

- Phase 1 – major development approvals that includes more complex applications requiring public meetings before Council such as Official Plan Amendments, Zoning By-law Amendments, and Subdivision and Condominium approvals that may allow new uses and create new lots or rights of ownership and less complex applications handled by the Committee of Adjustment to create new lots or address requests for minor variances to existing by-laws.
- Phase 2 - agreements that implement approvals granted in Phase 1. This is primarily a technical phase where agreements between the applicant and the municipality are entered into and normally registered on title. There is normally limited or no public input in this process. Many of these approvals are delegated to staff subject to meeting the requirements of the Delegation By-law.
- Phase 3 – building and other permits. This is where individuals and/or builders obtain the required approvals prior to initiating construction. Building permits can only be issued if the use proposed is permitted by the zoning by-law, all necessary agreements in Phase 2 have been registered and compliance with the Ontario Building Code and applicable laws are complied with.

As part of the municipal approval process, external agencies may also be involved including other governments such as the Region, the Niagara Peninsula Conservation Authority and provincial government departments such as the Ministry of Environment and the Ministry of Transportation; utilities such as electrical, gas and telecommunication suppliers; and other agencies such as railways. These external agencies are not controlled by the City and add another layer of complexity to the approval process.

The development community recognizes and respects the regulatory role of the City, and supports the City's role in ensuring that all development takes place without compromising our collective vision for the future or the safety of our citizens. While the Task Force is not suggesting that the City abandon this regulatory role, there is also a responsibility to facilitate investment in our community and understand that each site plan application represents an opportunity to shape the future of our City. This facilitation role is particularly important given the range of challenges and opportunities that are altering the local development environment (listed below).

A Changing Development Environment

In St. Catharines all stakeholders, including private firms and public approval agencies, need to recognize that the way development takes place in our community is changing. There are a number of local conditions that present challenges to traditional approaches to development. These challenges and opportunities include:

- *Provincial legislation:* The Government of Ontario's Places to Grow Act designates downtown St. Catharines as the only urban growth centre in the Niagara Region and mandates minimum targets for residents and employees per acre and directs investment to achieving these targets. The Province's Greenbelt Plan and the Niagara Escarpment Plan while protecting important agricultural and environmental resources also restrict future urban development to the existing developed area.
- *Lack of vacant land:* There are few parcels within the urban boundary available for traditional development, and existing opportunities must be seized with increasing consideration for rehabilitation of neighbourhoods, higher densities and infill development.
- *Sustainability:* Growing public concern with the impacts of global warming in particular and environmental impacts in general provide a new framework for decision making for both the public and private sector. There is increasing attention to the contributions that the development industry can make to resource conservation, environmental quality, and compact urban form.
- *Economic conditions:* Though there are increasing opportunities for regeneration through biotechnology, new media and creative enterprises, economic uncertainty remains in the wake of the strong Canadian dollar, the changing manufacturing industry and other globalization trends.
- *An aging community:* Changing demographics dictate new demands associated with lifestyle choices and access to relevant amenities such as

recreational facilities and public transit, necessitating increased emphasis on universal design.

- *Rising construction costs:* Due to a number of global factors, including the escalating price of oil, population growth and labour supply, construction costs have risen to record highs over the past few years, and are forecasted to increase an additional seven per cent in Ontario this year.
- *Competing demands for investment:* There are high expectations for direct and indirect private sector investment in a number of community priorities, such as downtown revitalization, the new hospital, a performing arts centre, a proposed spectator arena, academic facilities and a host of other commercial and institutional enterprises.

These conditions call for a fresh perspective on development that emphasizes community redevelopment and revitalization over green field construction. To facilitate this process, a paradigm shift is required for all parties with a stake in development in our City.

PART TWO: RECOMMENDATIONS FOR AN INVESTMENT-ORIENTED CITY HALL

With the above context in mind, over the past six months Members of the Task Force have discussed how municipal structures and processes in the City of St. Catharines can be more responsive to development opportunities in an increasingly complex environment.

The Task Force notes that, after researching approaches to development undertaken by other municipal governments, it appears that St. Catharines is performing relatively well. Because approvals are mandated through legislation, approval processes are relatively consistent across municipal boundaries. In addition, the Task Force found that approval times in St. Catharines were, in many cases, shorter than those experienced in comparable municipalities.

However, it should also be noted that other communities are not facing the breadth of challenges that are currently facing St. Catharines. It is clear that the City of St. Catharines is competing for development opportunities against communities that offer distinct benefits. Many of these communities are growing at tremendous speeds as they are located in the growth shed of Toronto or are located on the Highway 401 corridor and have an abundance of land ready for development.

We encourage City Council and staff to consider improvements to current structures and processes that will provide St. Catharines with a competitive advantage. To this end, the Task Force offers the following objectives:

- Institute a common vision for the future of development in St. Catharines
- Create a welcoming environment for the investment community
- Establish clear expectations of applicants
- Develop an integrated approach to projects and applications
- Commit to expeditious review of all development applications
- Provide ample opportunities for ongoing communications

Each of these objectives is outlined below, with both general and specific recommendations to attain each goal:

1. A Vision for Development

The development community is an important partner in the realization of a community's vision. An updated Official Plan is part of this vision, but there must be implementation tools for private partners. To this end, private sector organizations are generally supportive of incentive programs, like the Community Improvement Program (CIP), that promote the realization of community goals. These kinds of programs ensure the municipality and the private sector work in tandem toward a common vision for St. Catharines.

The private sector cannot fulfill a partnership role if community visions are ambiguous, or priorities unclear. The private sector is more effectively engaged when there is a concise, well communicated framework that clearly outlines the community's vision and is supported by policies or incentives that are consistent with the community's objectives.

Recommendations

- Establish a strong sense of purpose evident in the revised Official Plan, with clear indications for the development community
- Consolidate the range of policies and by-laws related to development
- Consistently communicate Council priorities as the core decision-making framework for the municipality

2. A Welcoming Environment

A developer's first impression of the municipal process has been established before any application has been submitted. First impressions are formed from local news stories and from Council proceedings. First impressions are further entrenched upon entering City Hall, navigating departments and making initial contact with municipal staff.

In order to create a welcoming environment at City Hall, it is important that at all times the City project a corporate culture that welcomes investment. City Council, while adhering to an overall vision to the future of the community, must support local conditions that are fair to investors. This welcoming environment must be further supported by an administrative infrastructure that, through a commitment to service excellence, facilitates strong relationships between the development community, City Council and municipal staff.

Recommendations

- As a first step, a Council resolution to send a strong signal that the City of St. Catharines is "open for business"
- An improved customer service experience at City Hall that includes ready availability of relevant contacts, ease of access, consideration for the establishment of enhanced online services, and general client-oriented attitude
- Effective and open communications between City Council, staff and the development community
- Improved customer relations at City Hall through an improvement in the overall attitude toward developers

3. Clear Expectations

A common concern expressed by local developers is a lack of clarity regarding application requirements, particularly for planning approvals. Applicants

sometimes claim that requirements are communicated at different points in the application process, causing unnecessary delays. These delays can result in increased costs incurred by developers.

The Task Force maintains that delays caused by unclear municipal expectations place a tremendous strain on the development community. The City of St. Catharines has a responsibility to ensure that developers understand the requirements associated with their applications from the outset of the approval process, so that they are prepared to invest the necessary time and resources into completing all necessary requirements.

Recommendations

- Develop a consolidated reference document to be used as a single point of reference for requirements associated with all municipal approvals—this tool should be available through a variety of channels from the outset of the application process
- Develop checklists that allows applicants confidence in the completeness of their applications, particularly with respect to severances and minor variances; Official Plan and Zoning By-law amendments; Plans of Subdivision and Condominium; and, Subdivision Agreements
- Common consensus and consistent application of rules, regulations and policies by all actors at City Hall, including front line staff, department heads and Members of Council

4. An Integrated Response

On an individual level, representatives from the development community are generally satisfied with the knowledge, expertise and professionalism of municipal staff. However, as applications migrate across departments, agencies and governments, safeguards are necessary to ensure staff has continued capacity to provide a high degree of support.

The need to coordinate across a variety of regulatory bodies represents the one of the greatest challenges to establishing an efficient, streamlined approval process. While the Task Force recognizes that many of these processes are beyond the purview of municipal officials, we urge both political and staff representatives to convene with all relevant agencies and bodies to investigate opportunities for improved integration.

Recommendations

- Establish a mechanism for strong interdepartmental collaboration during the approval process
- Continue working with the Regional Municipality of Niagara and the Niagara Peninsula Conservation Authority on enhanced integration of planning applications and other objectives of the existing Memorandum of Understanding

- Institute an expeditor position with overall responsibility for facilitating activities across departments, enforcing timelines and providing a holistic view of each application

5. Commitment to Expeditious Review

In many municipalities, timelines associated with the development approval process are a source of anxiety for local developers. Construction costs are continuously on the rise and every passing week over the course of a development represents a premium in the thousands of dollars.

With the establishment of Bill 124 there are now mandated timelines associated with building permit applications. This legislation has provided municipal staff with the necessary legislative framework to expedite the approval processes and has provided developers with a greater level of comfort by injecting predictability and certainty in the approval process.

Where mandated timelines are absent, however, uncertainty in the approval process remains. The Task Force is sympathetic to concerns expressed by City staff that some timelines are under the purview of other agencies and governments and outside the realm of municipal control. With this in mind, the task force calls on community leaders at all levels of government to convene and begin to develop solutions to the ambiguity that surrounds approval timelines.

Recommendations

- Undertake a comprehensive review of municipal requirements and response times
- Mandate and monitor timelines for each approval, ensuring sufficient staff resources are in place to meet these targets
- Assist in identifying possible lags in the development process as well as required lead time to obtain various approvals from outside agencies at both a Provincial and Regional level (i.e. MTO, MOE, NPCA, NEC, Regional Municipality of Niagara)

6. Ongoing Communications

Developers require the ability to know where they stand throughout the approval process. In order to plan and budget effectively, the status of their applications should be readily available.

The Task Force also feels there should be opportunities for effective two-way communication that extends beyond checking a website or calling a hotline. Developers require opportunities to request clarification and seek direction when the process seems confusing or unclear.

Recommendations

- Ability for developers to track their applications throughout approval processes
- Access to relevant municipal contacts throughout the process, in order to ask questions and understand potential delays
- Investigate the creation of an Ad Hoc Planning Committee to enhance overall communication between the City, developers and the community at large
- Opportunities for input on various new policies and initiatives from a development perspective, such as the municipal Urban Design Guidelines currently under development

Members of the Development Review Task Force have asked municipal staff to comment on the feasibility of several of the recommendations outlined above. This preliminary analysis is included as Appendix A.

CONCLUSION AND NEXT STEPS

Within our six month mandate, our obligation was to develop a road map to set the City of St. Catharines on a path that is conducive to investment. Though our official mandate closes with the presentation of this report, Members of the Task Force are committed to realizing an improved environment for investment in the City, and stand ready to assist municipal officials with the development and review of specific action plans to achieve the broad objectives contained within this report. Members of the Task Force are also committed to monitoring improvements and gauging reactions from the development community, and have agreed to meet on a quarterly basis to review the process.

We thank City Council for the opportunity to participate in this initiative and look forward to being partners in the implementation process that lies ahead.

APPENDIX A- SUMMARY OF RECOMMENDATIONS

OBJECTIVE	<u>RECOMMENDATIONS</u>
Vision for Development	<ul style="list-style-type: none"> • Establish a strong sense of purpose evident in the revised Official Plan, with clear indications for the development community • Consolidating the range of policies and by-laws related to development • Consistently communicated Council priorities that serve as the core decision-making framework for the municipality
<u>Welcoming Environment</u>	<ul style="list-style-type: none"> • As a first step, a Council resolution to send a strong signal that the City of St. Catharines is “open for business” • An improved customer service experience at City Hall that includes ready availability of relevant contacts, ease of access, consideration for the establishment of enhanced online services, and general client-oriented attitude • Effective and open communications between City Council, staff and the development community • Improved customer relations at City Hall through an improvement in the overall attitude toward developers
<u>Clear Expectations</u>	<ul style="list-style-type: none"> • Develop a consolidated reference document to be used as a single point of reference for requirements associated with all municipal approvals—this tool should be available through a variety of channels from the outset of the application process • Develop checklists that allows applicants confidence in the completeness of their applications, particularly with respect to severances and minor variances; Official Plan and Zoning By-law amendments; Plans of Subdivision and Condominium; and, Subdivision Agreements • Consistent application of rules, regulations and policies by all actors at City Hall, including front line staff, department heads and Members of Council
<u>Integrated Response</u>	<ul style="list-style-type: none"> • Establish a mechanism for strong interdepartmental collaboration during the approval process • Continue working with the Regional Municipality of Niagara and the Niagara Peninsula Conservation Authority on enhanced integration of planning applications and other objectives of the existing Memorandum of Understanding

<p><u>Expeditious Review</u></p>	<ul style="list-style-type: none"> • Undertake a comprehensive review of municipal requirements and response times • Mandate and monitor timelines for each approval, ensuring sufficient staff resources are in place to meet these targets • Assist in identifying possible lags in the development process as well as required lead time to obtain various approvals from outside agencies at both a Provincial and Regional level (i.e. MTO, MOE, NPCA, NEC, Regional Municipality of Niagara) • Creation of an “expediting” committee for major applications in the Urban Growth Centre (more than 30 residential units or 50,000 sq. ft of commercial space), subdivisions or other planning approvals for more than 60 residential units in a community improvement areas and any industrial use employing more than 50 employees
<p><u>Ongoing Communications</u></p>	<ul style="list-style-type: none"> • Ability for developers to track their applications throughout approval processes • Access to relevant municipal contacts throughout the process, in order to ask questions and understand potential delays • Creation of an Ad Hoc Planning Committee to enhance overall communication between the City, developers and the community at large • Opportunities for input on various new policies and initiatives from a development perspective, such as the municipal Urban Design Guidelines currently under development

APPENDIX B: PRELIMINARY ANALYSIS OF SELECT RECOMMENDATIONS

Members of the Development Review Task Force have asked municipal staff to comments on the feasibility of several of the recommendations outlined in part two of the report. This preliminary analysis is included below.

Improved Customer Relations:

Planning is about creating a better future for our community and its citizens. Both the public and private sector have a role to play independently and jointly to achieve this better future. There are times when staff must respond in the negative in order to do their jobs but there are also different means of communicating the message. For applications that are supportable but with which there are problems, it is far better to say that this application could be supported if than to say that staff cannot recommend this development. Although the exact measures to be taken to implement this recommendation are not known at this time, additional customer training for staff involved in the approval process will be developed.

Reference Documents and Checklists:

a) Severances and Minor Variances

A checklist of what makes a complete application will be implemented in order to ensure that applications are complete when submitted.

b) Official Plan and Zoning By-law Amendments, Plans of Subdivision and Condominium

An official plan amendment is now being prepared that will provide a framework for both pre-consultation on these types of applications and also guidance on complete applications.

There are also a number of administrative improvements that can be implemented including a checklist of a complete application and advising the applicant at the time when an application is complete, which agencies will be circulated and when.

A stronger message to all commenting departments and external agencies that the City will proceed without their comments if they are not received within prescribed timeframes. It is recognized by all that for complex applications, more time may be required.

c) Subdivision Agreements

The quality and completeness of applications for subdivision agreements has presented challenges in the processing of these applications. The suggestion for a checklist for completeness as a first step for improvement is clear. Also the production of a comprehensive set of Council approved development related policies and normal municipal requirements would also assist the process. The co-ordination of municipal comments through the Development Agreement Co-ordinator is critical to an efficient process. Depending upon the nature and scope of the comments, a meeting between Development Committee and the applicant and his agents could also be useful. Staff will also review the existing process flow chart to see if a more detailed breakdown would provide a clearer indication of where an application is. This would also make it easier to monitor status.

There are other suggestions made but staff would be more comfortable implementing the above changes and determining their effectiveness prior to making more changes.

Position of Expeditor:

There is not enough work for this to be a full time position. If such a position was created, it should be a senior level outside of a department involved in the approval process in order to have the required "clout" to deal with problems in the approval process.

A better option to address an expedited approval process would be to create an "expediting" committee for major applications in the Urban Growth Centre (more than 30 residential units or 75,000 sq. ft of commercial space), subdivisions or other planning approvals for more than 60 residential units in a community improvement area and any industrial use employing more than 50 employees. The Committee with representatives from the major municipal departments would meet with the applicant every two weeks in person or by conference call to ensure that these major applications receive specific attention.

To address the problem of the resolution of technical issues, better information on municipal structure and approvals must be provided to the applicant. The application forms for official plan and zoning by-law amendments can include the contact information for the Manager of Planning Services as the first point of contact when there are problems. By having this information, more available it is hoped that problems can be resolved sooner.

Mandatory Timelines:

Time lines for Official Plan and Zoning By-law amendments and subdivision and condominium approval are established by the Planning Act already. Comparable time lines will be established for site plan and subdivision and condominium agreements. All of the timelines will be monitored and planning staff will prepare an annual report to Council that will provide information on the timeliness of the approval process.

Creation of Ad Hoc Planning Committee:

The proposed Ad Hoc Planning Committee is not consistent with the City's current system of Council-General Committee and there are concerns respecting the Staff resources that would need to be devoted to this exercise. It is recommended that as a first step, staff review public meeting models used in other municipalities including Niagara-on-the-Lake and report back by the end of 2008 based on the findings.

Input in Urban Design Guidelines:

Although not specifically addressed in the comments received there were concerns raised about the implementation of urban design policies. The fear is that these policies will dictate the type and design of units that can be built. Council has already approved the creation of the Urban Design Committee for technical input on the implementation of the future urban design policies. This process should address the identified concerns. As it is recommended the Mayor's Development Review Task Force continue to meet quarterly, if there are general issues to be addressed, the Committee provides an appropriate vehicle for that to occur. Site specific concerns can be addressed directly with the Planning Services Manager or the Director of Planning.

Extended Mandate for the Mayor's Development Review Task Force:

The proposal to meet quarterly with the Task Force is supported by Staff. It is an opportunity for an exchange of information and views and ensures that on-going implementation of the recommendations. It also offers the opportunity for feedback on fine tuning the implementation of the recommendations.