
TO: Electoral Area Services Committee **MEETING:** September 4, 2018
FROM: Tom Armet **FILE:**
 Manager, Building & Bylaw Services
SUBJECT: Building Permit Activity – Second Quarter 2018

RECOMMENDATION

That the report Building Permit Activity – Second Quarter 2018 be received for information.

SUMMARY

This report contains summary information on building permit activity to the end of the second quarter of 2018 (January to June) in the Regional District of Nanaimo's (RDN's) seven Electoral Areas as well as the District of Lantzville, where the RDN provides building permit and inspection services under contract. Overall, the RDN has experienced continued growth in residential construction activity during the past three years at levels higher than the provincial average. This trend continued in the first half of 2018 with a similar number of permit applications received as in the same period in 2017.

An update on initiatives that the Department is continuing to implement to improve the efficiency of building permit processing is also provided in this report.

BACKGROUND

The level of building activity within the Regional District of Nanaimo is reflective of the continued strong economy in the region. New construction in the RDN Electoral Areas tends to be predominantly residential, with a relatively small number of non-residential (commercial, industrial) building permits issued.

Building permit data is collected and disseminated monthly to various federal and provincial agencies such as Statistics Canada and BC Assessment where the data is used for tracking, property valuation and forecasting of development trends. RDN staff also post monthly permit activity reports on the RDN website and provide copies to the Area Directors.

This report provides a brief summary of both residential and non-residential building permit activity in the Electoral Areas and the District of Lantzville to the end of the second quarter of 2018. Corresponding data for the years 2017 and 2016 is shown for comparison.

Building Permit Applications

The RDN received 438 building permit applications in the first half of 2018, consistent with the number of permit applications received in the same period in 2017, and 42% higher than the same period in 2016. The overall construction value of the permits issued in the first half of 2018 was \$80 million, a 22% increase over 2017 and a 90% increase in construction value over the same period in 2016.

Non-Residential Building Permits

Non-residential (commercial/industrial) building permits represent a relatively small number of the overall permits issued. However, the value of these permits can be high, depending on the scope of the commercial or industrial projects. In the first half of 2018, the RDN issued 11 non-residential permits valued at \$2.7 million, 25 permits valued at \$7.4 million in 2017, and 14 non-residential permits valued at \$3.5 million in 2016.

Building Permits by Electoral Area

As noted above, the RDN continues to experience increased building activity levels in the Electoral Areas. The following table provides a breakdown of building permits by Electoral Area and Lantzville in the first six months of 2016 to 2018:

Electoral Area	Building Permits – January to June 2018		
	2016	2017	2018
A	61	84	74
B	44	62	65
C	32	31	32
E	49	88	69
F	42	69	63
G	50	61	69
H	54	35	43
Lantzville	26	17	23
Total Q01/Q02 Permits	309	447	438
Total Construction Value of Permits Issued (\$m)	\$42	\$65.5	\$80

Building Permit Approvals and Inspection Scheduling

Building Permit approval times can vary depending on the project complexity and increased volumes of applications during the busiest periods for construction activity. During the first quarter of 2018, the turn-around time for permit approvals was 3 to 4 weeks. However, it increased to an average of 5 weeks at the end of the second quarter, due to higher volumes of applications. Permit approvals and inspection scheduling times in the RDN remain consistent with or lower than other regional districts and municipalities on Vancouver Island.

Service Enhancements

Permit processing times and the delivery of inspection services has an impact on our customers' ability to deliver product to their clients. In response to this, we have incorporated a continuous improvement model to review our processes and incorporate new technologies. Staffing levels are adjusted within the plan review and inspection functions to ensure that permit approvals and inspection scheduling benchmarks are maintained during periods of increased application and inspection volumes.

As previously reported, work is continuing on the initiative to implement a public portal in late 2018 for online building permit applications and inspection scheduling. The public portal will be fully integrated with the RDN's internal processes and is designed to give the public the option to "self-serve" their building permit application and inspection requests from their home, office or mobile device. Use of the portal will eliminate the need for clients to travel to the RDN office or schedule their inspections by telephone, which in turn will enhance the overall efficiency of the permit/inspection process for the public and staff alike.

ALTERNATIVES

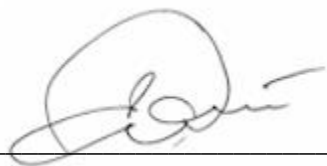
1. Receive the report on Building Permit Activity - Second Quarter 2018 for information.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

There are no financial implications in receiving this report.

STRATEGIC PLAN IMPLICATIONS

Reporting on building permit activity enhances regional governance by providing Area Directors with information on development activity and trends within each Electoral Area and the region overall.



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August 20, 2018

Reviewed by:

- P. Thompson, Acting General Manager, Strategic and Community Development
- P. Carlyle, Chief Administrative Officer